Exhibit A

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

KENNETH MCGUIRE and DAVID WILCZYNSKI, On Behalf of Themselves and All Others Similarly Situated, Plaintiffs, vs. DENDREON CORPORATION, a Delaware Corporation, MITCHELL GOLD, and DAVID URDAL, Defendants.	NO. C07-800 MJP **EXPERT REPORT OF BJORN I. STEINHOLT, CFA**

I. INTRODUCTION AND QUALIFICATIONS

1. I am a Principal at Financial Markets Analysis, LLC ("FMA"), an economic consulting and valuation firm with offices in San Diego, California and Princeton, New Jersey. FMA provides financial analyses and related economic consulting services. We are frequently asked to prepare reports and expert testimony regarding the various economic issues that typically arise in securities class actions.

2. I received a Master of International Business degree from the University of San Diego and a Bachelor of Science, Computer Science degree from California State University, Long Beach. I have earned the professional designation Chartered Financial Analyst awarded by the CFA Institute. I have been retained on numerous occasions to provide my expert opinions relating to market efficiency, materiality, loss causation and economic damages in securities class actions similar to this litigation. A summary of my background and qualifications is attached as Exhibit A to this report.

3. My compensation is based on the number of hours worked times my billable rate, currently $450 per hour.

II. OVERVIEW OF ASSIGNMENT

4. In connection with Plaintiffs' motion for class certification, Plaintiffs' counsel has requested that I examine and discuss the economic issues relating to market efficiency. Specifically, I have been asked to examine whether the market in which Dendreon Corporation ("Dendreon" or the "Company") common stock traded from March 29, 2007 through May 8, 2007, inclusive (the "Class Period"), was impersonal, open, well-developed, and efficient, in that the market price of the Company's common stock during this time period reflected the publicly available information concerning Dendreon.

5. My opinions in this matter are based on my professional experience, as well as my review of a substantial amount of information, including: (a) Third Amended Complaint for

Violation of the Federal Securities Laws (the "Complaint"); (b) Public filings by Dendreon with the United States Securities and Exchange Commission ("SEC") on Form 10-Ks, 10-Qs, 8-Ks, Prospectuses and Proxies during the relevant time period; (c) Company press releases and conference call transcripts during 2007; (d) Securities analyst reports regarding Dendreon and its industry issued during 2007; (e) Contemporaneous media reports regarding Dendreon and its industry issued during 2007; (f) Price and volume data for Dendreon common stock, market and industry indices; (g) Dendreon common stock ownership by reporting institutions during the Class Period from Thomson Financial; (h) Short interest in Dendreon common stock for March, April and May, 2007 from Bloomberg; and (i) Articles, court decisions and other relevant information cited in the text, or in footnotes to the text, of this report.

6. This report is based on the evidence I have reviewed to date. Additional information may be added or I may modify my conclusions based on additional evidence or the opinions provided by the defendants' experts.

III. MARKET EFFICIENCY

7. For the past 40 years, the efficient capital market hypothesis ("ECMH") has held an important place in financial and economic theory. The most commonly held form is known as the "semi-strong" form and holds that securities markets incorporate all available public information into the respective securities prices. Consequently, in an efficient market, investors rely on the market price of a security to reflect all the available public information regarding that security. The semi-strong form of the ECMH has been empirically validated in numerous studies.[1]

[1] *See* Eugene F. Fama, "Efficient Capital Markets: A Review of Theory and Empirical Work," *Journal of Finance,* Vol. 25, Issue 2 (May 1970); and Eugene F. Fama, "Market efficiency, long-term returns, and behavioral finance," *Journal of Financial Economics,* Vol. 49 (1998).

8. The relevance of market efficiency for securities class action lawsuits, such as this one, relates to the issue of reliance based on the fraud-on-the-market theory. As explained in *Basic Inc. v. Levinson*, 485 U.S. 224, 241-42 (1988) (quoting *Peil v. Speiser*, 806 F.2d 1154, 1160-61 (3d Cir. 1986)):

> The fraud on the market theory is based on the hypothesis that, in an open and developed securities market, the price of a company's stock is determined by the available material information regarding the company and its business. . . . Misleading statements will therefore defraud purchasers of stock even if the purchasers do not directly rely on the misstatements. . . . The causal connection between the defendants' fraud and the plaintiffs' purchase of stock in such a case is no less significant than in a case of direct reliance on misrepresentations.

Basic goes on to conclude:

> An investor who buys or sells stock at the price set by the market does so in reliance on the integrity of that price. Because most publicly available information is reflected in market price, an investor's reliance on any public material misrepresentations, therefore, may be presumed for purposes of a Rule 10b-5 action.

Id. at 247.

9. The fraud-on-the market theory relies on what is commonly called informational efficiency, *i.e.*, that the price of the relevant security will quickly change to incorporate new and material information, thereby reflecting the market participants' consensus regarding fair value given the available public mix of information.[2] In other words, the relevant issue is whether the price of the security quickly incorporates new material information, such as the information allegedly

[2] This does not mean that all market participants agree on what the true value of the common stock is, as evidenced by the fact that some investors sell as others buy. Rather, it means that the respective investors' view of the common stock's true value drives their purchases and sales (*i.e.*, the demand and supply for the stock), which in turn becomes the basis for the consensus price set by the overall market.

misrepresented and the information revealing the relevant truth. One academic paper explains the relevant issue as follows:[3]

> Financial economists have shown repeatedly that stock prices react quickly to the release of important new information; though they may differ in their interpretations of this evidence, they do agree it exists. Even prominent financial economists with divergent interpretations of the evidence on market efficiency share similar views on how stock prices react to new information.
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> * * *
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> A plaintiff need show only that the misstatement affected the security return – by testing for an abnormal return either at the time the misstatement was made or when the fact that it was a misstatement became known to the public – and that the abnormal return was statistically significant.
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> * * *
>
> . . . courts should examine whether a misstatement caused a security to trade at an artificially high or low price. The inquiry devolves then into whether and how rapidly the market responded to the alleged misstatement. Financial economists can answer this question. As a result, courts may avoid the almost impossible task of identifying efficiency and concentrate instead on the relatively simple task of determining the stock return associated with a misstatement and whether it is statistically significant. If so, the court should conclude that the misstatement distorted the market price – that it was material – and presume reliance.

The *Cammer* Factors

10. In *Cammer v. Bloom*, 711 F. Supp. 1264 (D.N.J. 1989), the court analyzed the criteria that should be met from a legal point of view to show that shares of common stock traded in an efficient market. First, the security should trade in an open market in which a large number of investors can buy or sell the security. Second, it should trade in a developed market with a relatively high level of activity and frequency, and for which trading information (*e.g.*, price and volume) is

[3] Jonathan Macey, Geoffrey Miller, Mark Mitchell and Jeffry Netter, "Lessons From Financial Economics: Materiality, Reliance, and Extending the Reach of *Basic v. Levinson*," *Virginia Law Review* (August 1991).

widely available. It usually, but not necessarily, has continuity and liquidity (the ability to absorb a reasonable amount of trading with relatively small price changes.).

11. During the Class Period, Dendreon's shares traded in an open and developed market. More specifically, Dendreon common stock traded on the NASDAQ National Market.[4] NASDAQ is one of the largest and most sophisticated securities markets in the world, and had 3,135 listed companies that generated an average daily share volume of 2.17 billion during 2007.[5] Market efficiency is commonly presumed for securities that trade on the NASDAQ National Market.[6] Consequently, the fact that Dendreon's common stock traded on the NASDAQ National Market supports my opinion that it traded in an efficient market.

12. The *Cammer* court also provided five company-specific factors, often referred to as the *Cammer* factors, to test whether the market for a specific security was efficient in a fraud-on-the market context. The *Cammer* factors are as follows:

(a) Whether the security traded at a large weekly volume;

(b) Whether analysts followed and reported on the security;

(c) Whether the security had market makers and whether there was the potential for arbitrage activity;

(d) Whether the company was eligible to file SEC Form S-3; and

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4 Dendreon, 2007 Form 10-K, page 32.

5 The Nasdaq Stock Market, Inc., 2007 Form 10-K filed with the SEC, page 44.

6 According to one authority: "We think that, at a minimum, there should be a presumption – – probably conditional for class determination – – that certain markets are developed and efficient for virtually all the securities traded there: the New York and American Stock Exchanges, the Chicago Board Options Exchange and the NASDAQ National Market System." *Cammer*, 711 F. Supp. at 1292 (quoting Bromberg & Lowenfels, 4 *Securities Fraud and Commodities Fraud*, §8.6 (Aug. 1988)).

(e) Whether there are empirical facts showing a cause-and-effect relationship between unexpected corporate events or financial information releases, and an immediate response in the security's price.

13. The first four *Cammer* factors – factors (a) though (d) in the paragraph above – provide indirect evidence of market efficiency. In other words, they provide evidence that the competitive environment which facilitates market efficiency is in place. The fifth *Cammer* factor – factor (e) in the paragraph above – provides direct evidence of market efficiency, *i.e.*, it demonstrates that new material information was quickly incorporated into the stock price. Below, I examine each of the *Cammer* factors individually.

Factor 1: Weekly Volume

14. Trading volume is a good indicator of a well-developed market. During the Class Period, Dendreon had a reported trading volume of more than 870 million shares with a dollar trading volume exceeding $15 billion. Average reported daily trading volume during the Class Period was more than 32 million shares with an average daily dollar volume of more than $564 million. *See* Exhibit B attached hereto. This demonstrates that there were a substantial number of willing buyers and sellers who traded Dendreon common stock on a daily basis during the Class Period, thereby providing liquidity for the stock. The amount of daily trading in Dendreon's common stock during the Class Period supports my opinion that Dendreon's common stock traded in an efficient market.

15. One authority has stated that "[t]urnover measured by average weekly trading of 2% or more of the outstanding shares would justify a strong presumption that the market for the security is an efficient one; 1% would justify a substantial presumption."[7] During the Class Period, Dendreon had approximately 83 million shares outstanding, while its weekly trading volume ranged

[7] *Cammer*, 711 F. Supp. at 1293 (quoting Bromberg & Lowenfels, 4 *Securities Fraud and Commodities Fraud*, §8.6 (Aug. 1988)).

from 95 million to more than 327 million shares. In other words, during the Class Period, Dendreon's weekly trading volume far exceeded the 2% benchmark used by some courts to justify a strong presumption of market efficiency. *See* Exhibit C attached hereto.

Factor 2: Analyst Coverage

16. Analyst coverage generally refers to securities analysts who followed Dendreon and wrote research reports on the Company for public consumption.[8] I have identified at least eleven research firms which provided specific research coverage on Dendreon during the March-May 2007 time period: Banc of America Securities LLC, A.G. Edwards & Sons Inc., JMP Securities, UBS AG, Needham & Company LLC, Next Generation Equity Research LLC, MDB Capital Group LLC, Brean Murray Carret & Co., McAdams Wright Ragen Incorporated, Biotech Stock Research LLC, and the Stanford Group. Furthermore, I have also identified at least another ten research firms covering the drug development industry which specifically discussed Dendreon during this same time period: Credit Suisse, Janney Montgomery Scott, Rodman & Renshaw, Canaccord Adams, Juske Bank, HSBC Global Research, Blackmont Capital, Piper Jaffray, Loewen Ondaatje McCutcheon and Leerink Swann. Attached as Exhibit D is an event chronology that includes, or references, research reports or coverage by the above firms.

17. The importance of analyst coverage, as it relates to market efficiency, is two-fold. First, it provides definitive evidence that securities analysts did, in fact, monitor Dendreon and provide investors with investment research on the Company. Second, it shows that there was enough demand from investors for research on Dendreon to provide an economic justification for doing the

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[8] Analysts issuing research reports for public consumption are commonly referred to as sell-side analysts. In addition, public companies are also followed by a presumably much larger number of so-called buy-side analysts, or analysts who work for investment firms and whose research is generally used internally by these firms to make investment decisions. The number of buy-side analysts of a particular company is not publicly known.

investment research on the Company. The substantial analyst coverage of the Company supports my opinion that Dendreon's common stock traded in an efficient market.

Factor 3: Market Makers and Arbitrage

18. For NASDAQ traded shares, the matching of buy and sell orders are made by market makers. When an order imbalance occurs, market makers increase the demand for a stock by lowering the ask price, or increase the supply of a stock by increasing the bid price. As investors react to new information, this mechanism ensures that the price of the security changes to reflect investors' collective interpretation of the new information. Consequently, market makers provide a key function in making the market in a security efficient. During the March-May 2007 period, there were 64 different market makers in Dendreon's stock. *See* Exhibit E attached hereto. This evidence supports my conclusion that Dendreon's common stock traded in an efficient market.

19. It should be noted that *Cammer* factor three relates to the presence of sophisticated investors, not just market makers. Thus, an analysis of institutional investors is also relevant to *Cammer* factor three. The *Cammer* court stated: [9]

> Third, it could be alleged the stock had numerous market makers. The existence of market makers and arbitrageurs would ensure completion of the market mechanism; these individuals would react swiftly to company news and reported financial results by buying or selling stock and driving it to a changed price level.

Sophisticated investors are investors who are able to quickly evaluate new information and understand its potential impact on the value of a security, and who then take appropriate investment actions causing the new information to become reflected in the price of the security. Thus, the presence of sophisticated investors is an important factor ensuring that a security is traded in an efficient market.

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[9] *Cammer*, 711 F. Supp. at 1286-87.

20. Institutional investors are such sophisticated investors. Consequently, I examined available information on institutional ownership of Dendreon common stock during the Class Period. This information is only available for certain large institutions on a quarterly basis, and is therefore not a complete list of all sophisticated investors who may have owned Dendreon common stock during the Class Period. The available institutional information shows that, on March 31, 2007, a total of 116 reporting institutions owned more than 29 million Dendreon shares, or roughly 35% of the Company's shares outstanding. *See* Exhibit F attached hereto. The fact that millions of Dendreon shares were owned by large, sophisticated institutions further supports my opinion that the Company's stock traded in an efficient market.

Factor 4: Eligibility to File on Form S-3

21. To be eligible to file Form S-3, a company has to be an SEC reporting company for 12 months, and have $75 million in voting stock held by non-affiliates (average during 60-day period prior to filing). Dendreon went public in 2000 and its market capitalization exceeded $1 billion during the Class Period. In other words, Dendreon far exceeded the benchmarks for S-3 filing during the Class Period, and, in fact, filed Form S-3s on March 19, 2007 and on August 10, 2007. Eligibility to file on Form S-3 is one factor the *Cammer* court considered indicative of market efficiency.

Factor 5: Price Reaction to New Material Information

22. The direct test of market efficiency relates to whether a stock price quickly reacts to unexpected new material information. While *Cammer* factors one through four discussed above provide evidence that the competitive environment that facilitates market efficiency was in place during the Class Period, the last *Cammer* factor calls for some empirical evidence that Dendreon's

stock price quickly incorporated new, material information. The *Cammer* court explains the relevance of this factor as follows.[10]

> Finally, it would be helpful to a plaintiff seeking to allege an efficient market to allege empirical facts showing a cause and effect relationship between unexpected corporate events or financial releases and an immediate response in the stock price. This, after all, is the essence of an efficient market and the foundation for the fraud on the market theory.

23. To analyze Dendreon's stock price movements in reaction to new material information, I put together an event chronology summarizing the relevant analyst reports available to me, as well as the key media accounts regarding the Company on Bloomberg. The chronology provides a good summary of the information regarding Dendreon that was publicly available to investors during the relevant time period. Furthermore, for each day during the Class Period, I analyzed Dendreon's stock price movement using an event study methodology.[11] An event study is essentially a statistical analysis that can be used to assess whether a price movement following an event is statistically significant.[12] The NASDAQ Biotech Index ("NBI") was selected to control for market and/or industry factors.[13] I then performed a regression analysis to determine the historical relationship between Dendreon and the NBI during a control period, *i.e.*, period with normal price

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[10] *Cammer*, 711 F. Supp. at 1287.

[11] For a detailed explanation of the event study methodology, *see* John Campbell, Andrew Lo & Craig MacKinley, *The Econometrics of Financial Markets*, Chapter 4, Princeton University Press, 151 (2007); Mark Mitchell & Jeffry Netter, "The role of financial economics in securities fraud cases: applications at the securities and exchange commission," *Business Lawyer* (Feb. 1994).

[12] A statistically significant price movement is one that is unlikely to have occurred simply by chance, and is therefore a price movement likely caused by the event. A stock price increase (or decrease) is defined as being statistically significant at the 90%, 95% or 99% level of confidence if it is greater than 90%, 95% or 99% of the price increases (or decreases) in a random sample, respectively, after adjusting for market factors.

[13] At the beginning of the Class Period, the NBI consisted of 168 different biotech companies traded on NASDAQ, and was selected by Dendreon to measure its own performance in its 2007 Form 10-K. *See* Exhibit G attached hereto.

returns unaffected by the event(s) examined.[14] Dendreon's actual price movement is then compared to the predicted stock price movement based on the historical statistical relationship with the NBI. The difference between Dendreon's actual price movement on the event day and its predicted price movement is the abnormal price movement, or abnormal return, *i.e.*, the Company-specific price return net of market factors. Statistical significance is then assessed by calculating the t-statistic (abnormal return divided by the standard error – or standard deviation, which is the expected abnormal return during the control period). The magnitude of the t-statistic is used to determine statistical significance, *i.e.*, the likelihood of the price return occurring simply by chance as opposed to new company-specific information. My event chronology with my assessment of statistical significance for each day during March, April and May, 2007, is attached as Exhibit D.

24. Based on my analysis of the public mix of information during the Class Period, and my analysis of Dendreon's stock price movements, I determined that Dendreon's stock price reacted quickly to new, material information. In other words, during the Class Period, Dendreon's stock price performed as one would expect in an efficient market. For example, following an FDA advisory panel's recommendation to approve the Company's prostate cancer drug Provenge, Dendreon's stock price quickly increased 147.7% to $12.93 per share on March 30, 2007, a price increase that was statistically significant at the 99% level of confidence. Similarly, following the announcement regarding FDA's Complete Response letter, Dendreon's stock price quickly declined 64.3% to $6.33 per share on May 9, 2007, a price decline that was statistically significant at the 99% level of confidence. Furthermore, I found no evidence of market inefficiency. My review and analysis of the public mix of information during the Class Period further supports my conclusion that the market for Dendreon's common stock was efficient during the Class Period.

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[14] For my purposes, I used a control period spanning 120 trading days prior to March 1, 2007. The regression analysis is attached as Exhibit H.

IV. CONCLUSION

25. Based on my review and analysis of all the evidence discussed above, it is my opinion that the market for Dendreon's common stock during the Class Period was impersonal, open, well-developed, and efficient, in that the market price of the Company's common stock during this time period reflected the publicly available information concerning Dendreon.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 14th day of January, 2009, in San Diego, California.

Respectfully submitted,

BJORN I. STEINHOLT, CFA

Exhibit A

Bjorn I. Steinholt, CFA

Financial Markets Analysis, L.L.C
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Employment History

- **2000 - Present Financial Markets Analysis, LLC, San Diego, California**

Founding Member. Mr. Steinholt provides a broad range of capital markets consulting, including financial and economic analyses relating to mergers and acquisitions, initial public offerings, fairness opinions and private placements. His practice area includes the valuation of whole businesses, financial securities and intangible assets. Furthermore, he provides consulting relating to complex securities litigations.

- **1998 - 2000 Business Valuation Services, Inc., San Diego, California**

Principal. Mr. Steinholt provided valuations of businesses and financial securities, including common stock, warrants, options, preferred stock, debt instruments and partnership interests, of companies in a myriad of industries. In addition, he performed valuations of intangible assets such as patents, trademarks, software, customer lists, work force and licensing agreements. Mr. Steinholt provided financial and economic analyses for a variety of purposes relating to mergers and acquisitions, initial public offerings, fairness opinions, bank financing, financial reporting requirements, tax-related issues, general advisory services and shareholder disputes.

- **1990 - 1998 Princeton Venture Research, Inc., San Diego, California**

Senior Vice President. Mr. Steinholt was a co-manager of Princeton Venture Research's San Diego office where he provided various financial and economic analyses for venture capital, investment banking and consulting assignments, including shareholder disputes. Among other things, he helped identify and evaluate prospective emerging technology companies in need of venture capital funding. In addition, Mr. Steinholt performed financial analyses related to market, industry and company economics and provided business valuation services involving different types of securities, including derivative securities.

- **1988 - 1989 University of San Diego, San Diego, California**

Research Assistant -- Graduate Fellow. Mr. Steinholt assisted with research regarding the performance of international equity markets following the 1987 stock market crash. He also developed computer programs related to the portfolio theory, including risk minimization and portfolio optimization based on quadratic programming techniques.

Testimony

In re: Qwest Communications Securities Litigation (United States District Court for the District of Colorado), QwestDex Hearing, January 28, 2003.

In re: CBT Group PLC Securities Litigation (United States District Court, Northern District of California, San Jose Division), Deposition, November 5, 2003.

In re: America West Securities Litigation (United States District Court, District of Arizona), Deposition, October 28, 2004.

In re: Howard Yue vs. New Focus (Superior Court of the State of California, County of Santa Clara), Deposition, July 28, 2005 and August 9, 2005.

In re: AB Liquidating Corp., fka Adaptive Broadband Corporation v. Ernst & Young, LLP (American Arbitration Association), Arbitration, March 23, 2006.

In re: AOL Time Warner, Inc. Securities and "ERISA" Litigation, Consolidated Opt-Out Action (United States District Court, Southern District of New York), Deposition, September 28, 2006.

In re: Ohio Public Employees Retirement System vs. Richard Parsons, et al. (Court of Common Pleas of Franklin County, Ohio), Deposition, March 22, 2007.

In re: Flowserve Corporation Securities Litigation (United States District Court, Northern District of Texas, Dallas Division), Deposition, June 15, 2007.

In re: Oracle Corporation Securities Litigation (United States District Court, Northern District of California), Deposition, July 2, 2007.

In re: NeoPharm, Inc. Securities Litigation (United States District Court, Northern District of Illinois, Eastern Division), Deposition, January 22, 2008.

In re: HealthSouth Corporation Securities Litigation (United States District Court, Northern District of Alabama, Southern Division), Deposition, February 1, 2008.

In re: Advo, Inc. Securities Litigation (United States District Court, District of Connecticut), Deposition, September 16, 2008.

In re: HealthSouth Corporation Securities Litigation (United States District Court, Northern District of Alabama, Southern Division), Deposition, January 30, 2009.

In re: Huffy Corporation Securities Litigation (United States District Court, Southern District of Ohio, Western Division (at Dayton)), Deposition, November 12, 2009.

Formal Education

- **Master of International Business**
  University of San Diego, 1989

- **Bachelor of Science, Computer Science Engineering**
  California State University, Long Beach, 1987

Accreditations and Affiliations

- **Chartered Financial Analyst**
  CFA Institute

- **Sivilingeniør** - (Norwegian graduate level engineering designation)
  University of Trondheim, Norway

- **Member, CFA Institute**

- **Member, Financial Analysts Society of San Diego**

Exhibit B

Dendreon Securities Litigation
Analysis of Daily Volume

Date	Reported Volume (1)	Closing Price (1)	Dollar Volume (2)
3/30/2007	92,584,293	$12.93	$1,197,114,908
4/2/2007	43,741,541	$14.30	$625,504,036
4/3/2007	25,857,906	$14.65	$378,818,323
4/4/2007	13,783,734	$15.08	$207,858,709
4/5/2007	60,308,098	$18.05	$1,088,561,169
4/9/2007	78,763,176	$23.58	$1,857,235,690
4/10/2007	66,825,659	$22.15	$1,480,188,347
4/11/2007	50,858,626	$18.23	$927,152,752
4/12/2007	46,326,223	$18.01	$834,335,276
4/13/2007	21,521,897	$17.25	$371,252,723
4/16/2007	27,792,593	$15.72	$436,899,562
4/17/2007	33,934,998	$15.70	$532,779,469
4/18/2007	13,705,189	$16.01	$219,420,076
4/19/2007	9,611,477	$15.49	$148,881,779
4/20/2007	10,001,085	$15.09	$150,916,373
4/23/2007	36,944,335	$16.78	$619,925,941
4/24/2007	24,491,114	$17.07	$418,063,316
4/25/2007	11,430,175	$16.80	$192,026,940
4/26/2007	20,907,025	$15.45	$323,013,536
4/27/2007	9,688,017	$15.15	$146,773,458
4/30/2007	7,487,125	$15.03	$112,531,489
5/1/2007	18,805,960	$16.17	$304,092,373
5/2/2007	18,676,239	$17.20	$321,231,311
5/3/2007	26,310,855	$18.48	$486,224,600
5/4/2007	47,003,606	$19.39	$911,399,920
5/7/2007	27,980,404	$17.92	$501,408,840
5/8/2007	24,847,541	$17.74	$440,795,377
Total:	870,188,891		$15,234,406,293
Average:	32,229,218		$564,237,270

(1) Source: Bloomberg
(2) Daily Reported Volume times Closing Price

Exhibit C

Dendreon Securities Litigation
Analysis of Weekly Volume

Date	Reported Volume (1)	Reported Weekly Volume	Shares Outstanding (2)	Turnover (3)
3/26/2007	16,234,678	153,018,153	83,189,286	184%
3/27/2007	10,832,120			
3/28/2007	33,367,062			
3/30/2007	92,584,293			
4/2/2007	43,741,541	143,691,279	83,189,286	173%
4/3/2007	25,857,906			
4/4/2007	13,783,734			
4/5/2007	60,308,098			
4/9/2007	78,763,176	264,295,581	83,189,286	318%
4/10/2007	66,825,659			
4/11/2007	50,858,626			
4/12/2007	46,326,223			
4/13/2007	21,521,897			
4/16/2007	27,792,593	95,045,342	83,189,286	114%
4/17/2007	33,934,998			
4/18/2007	13,705,189			
4/19/2007	9,611,477			
4/20/2007	10,001,085			
4/23/2007	36,944,335	103,460,666	83,189,286	124%
4/24/2007	24,491,114			
4/25/2007	11,430,175			
4/26/2007	20,907,025			
4/27/2007	9,688,017			
4/30/2007	7,487,125	118,283,785	83,189,286	142%
5/1/2007	18,805,960			
5/2/2007	18,676,239			
5/3/2007	26,310,855			
5/4/2007	47,003,606			
5/7/2007	27,980,404	327,051,725	83,189,286	393%
5/8/2007	24,847,541			
5/9/2007	132,177,562			
5/10/2007	69,173,320			
5/11/2007	72,872,898			

(1) Source: Bloomberg
(2) As of April 11, 2007 (Dendreon April 26 Proxy)
(3) Weekly Volume divided by Shares Outstanding

Exhibit D

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
3/1/2007	6,122,717	$4.23	-8.84%	(2.47)	*Date: Mar 1 2007 6:00:05 Wire: PR Newswire: U.S. (PRN)* **Dendreon Announces FDA's Cellular, Tissue and Gene Therapies Advisory Committee to Review Provenge(R) for the Treatment of Asymptomatic, Metastatic, Androgen-Independent Prostate Cancer** SEATTLE, March 1 /PRNewswire-FirstCall/ -- Dendreon Corporation (Nasdaq: DNDN) today announced that the U.S. Food and Drug Administration's Office of Cellular, Tissue and Gene Therapies Advisory Committee will review the Biologics License Application (BLA) for PROVENGE (sipuleucel-T), the Company's investigational active cellular immunotherapy (ACI) for the treatment of asymptomatic, metastatic, androgen-independent (also known as hormone refractory) prostate cancer on March 29, 2007. The Center for Biologics Evaluation and Research (CBER) has oversight of the Cellular, Tissue and Gene Therapy Advisory Committee. Prostate cancer is the most common non-skin cancer in the United States and the third most common cancer worldwide. More than one million men in the United States have prostate cancer, with an estimated 218,890 new cases of prostate cancer diagnosed each year. More than 27,000 men die each year of the disease. The BLA submission is based primarily on an improvement in overall survival observed in Study D9901, a multi-center, randomized, double-blind, placebo-controlled Phase 3 Study. The results from D9901 were published in the July issue of the Journal of Clinical Oncology. Dendreon completed the submission of its BLA for PROVENGE in November 2006, and the FDA accepted the filing and assigned Priority Review status for the application in January 2007. Priority Review is granted to products that, if approved, would provide a significant improvement in the safety or effectiveness of the treatment, diagnosis or prevention of a serious or life-threatening disease. Based on the FDA's designation of Priority Review for PROVENGE, the Company anticipates action by the FDA approximately six months from the submission date, or by May 15, 2007. *Date: Mar 1 2007 6:03:53 Wire: BLOOMBERG News (BN) By Luke Timmerman* **Dendreon's Provenge Will Be Reviewed by FDA Cell Therapy Panel** March 1 (Bloomberg) -- Dendreon Corp.'s prostate cancer treatment will be reviewed by a panel of experts on cell and gene therapies, who will decide whether Provenge will become the first drug ever approved to stimulate the immune system against cancer. The Provenge application will be reviewed by the Cellular, Tissue and Gene Therapy Advisory Committee of the U.S. Food and Drug Administration at a meeting on March 29, the Seattle-based company said in a PRNewswire statement today. Dendreon is counting on Provenge to become its first marketed product, 15 years after it was founded to develop a new class of drugs to activate the immune system to attack cancer like a virus. Analyst David Miller of Biotech Stock Research, an independent equity research firm in Seattle, said the drug's odds of getting approved are higher than if it had been scrutinized by the FDA branch that deals with cancer drugs. ``Having Provenge go to this particular panel gives it a fighting chance," said Miller, who has owned Dendreon shares for seven years. Miller said the FDA division that reviews biotech drugs such as Provenge has historically been willing to approve products based on a single well-controlled clinical trial, instead of two trials, as is customary with the cancer drug division. The FDA staff reviewing Provenge have also worked with the company for years and are familiar with its technology, he said. Seeking Approval Dendreon is seeking approval for Provenge to treat prostate cancer in men in whom hormone therapies failed. The American Cancer Society, based in Atlanta, estimates that 27,350 men died from the disease in the U.S. in 2006, and 234,000 new cases were diagnosed.

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Provenge could reach $1 billion in peak sales in 2011 if it's approved this year, Mark Monane, an analyst at Needham & Co. in New York, wrote in a January research report. The FDA's deadline for completing its review of Provenge is May 15. It usually follows the advice of its expert panels.

In a trial of 127 men who had failed on prior therapies, patients who took Provenge lived a median time of 4.5 months longer than men on a placebo, according to a Dendreon-sponsored study published in July in the Journal of Clinical Oncology. Three years later, 34 percent of patients on Provenge were alive, compared with 11 percent of those on placebo.

Another trial, with 98 patients, showed signs of improving survival, although the results lacked statistical significance, Dendreon said in its 2005 annual report to shareholders. The drug's side effects in both trials were fever and chills that lasted for one to two days, according to company reports.

Re-Infused Immune Cells

Patients who take Provenge give blood, and some of their most potent immune system cells are separated in a lab procedure. The cells are shipped to the company and incubated with a genetically engineered protein found on prostate cancer cells. During the next day or two, the cells are supposed to recognize the protein as a foreign invader, like a virus. The cells are then shipped back to the clinic and re-infused into the patient.

Dendreon was founded in 1992 and has accumulated a deficit of $370.9 million from its founding through the third quarter of 2006, according to the company's quarterly report filed with the U.S. Securities and Exchange Commission.

Dendreon's only other product in clinical development is an immune-stimulating drug against breast cancer, according to the company's Web site.

Date: Mar 1 2007 6:17:07 Wire: Briefing.com Global Menu (BRF)

DNDN: Dendreon announces FDA to review Provenge for treatment of asymptomatic, metastatic, androgen-independent prostate cancer (4.64)

Co announces that the FDA's Office of Cellular, Tissue and Gene Therapies Advisory Committee will review the Biologics License Application for PROVENGE, the co's investigational active cellular immunotherapy for the treatment of asymptomatic, metastatic, androgen-independent (also known as hormone refractory) prostate cancer on March 29, 2007.

March 1, 2007 Brean Murray, Carret & Co. - Jonathan Aschoff, Ph.D.

Dendreon Corp. (DNDN/NASDAQ) - PROVENGE BLA to Be Reviewed by Cellular, Tissue and Gene Therapies Advisory Committee

* Advisory panel scheduled to meet March 29-30. Dendreon announced today that Center for Biologics Evaluation's (CBER) Cellular, Tissue, and Gene Therapies Advisory Committee will review the BLA for PROVENGE, for which Dendreon completed its rolling NDA filing in November 2006.

* CBER versus CDER argument irrelevant. There has been discussion on the Street about which division of the FDA would review PROVENGE's BLA. A common perception is that a CBER panel would be less stringent than a Center for Drug Evaluation & Research (CDER) / Oncologic Drugs Advisory Committee (ODAC) panel. We believe this argument is moot: regardless of the review panel, CBER or CDER, the PROVENGE data submitted by Dendreon simply does not provide a solid body of evidence, in our opinion, for any advisory committee to recommend outright approval.

* PROVENGE data does not support FDA approval. We do not believe that the PROVENGE BLA conclusively supports approval. In our opinion, the first two Phase 3 trials failed their primary endpoints and instead used the secondary median survival endpoint, encompassing time during which post-progression treatment was highly variable. We think this is highly confounding to the analysis,

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Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

given that 75% of placebo patients crossed over to PROVENGE upon disease progression. Additional information released by Dendreon in October for PROVENGE (D9901 and D9902A exploratory studies) is superficial data dredging, in our view, and therefore does not warrant reconsideration of our position. The PROTECT trial results today do not add significantly to our PROVENGE opinion, given its focus on biochemical and immunological markers, and the lack of any statistical significance in the metastasis endpoint. The metastasis endpoint was the primary endpoint of the PROTECT trial, not PSADT, and missing primary endpoints seem to be par for the PROVENGE course.

* Approvable letter remains best-case scenario. We maintain our belief that Dendreon is banking more on the dire need for safer prostate cancer therapies given the large and growing incidence of the disease, and less on the merits of its trials' results. In our opinion, there is little left to do outside of awaiting the FDA's decision on or before May 15, and we believe that the FDA will ultimately award Dendreon an approvable letter at best, contingent on the D9902B trial results (expected in 2H08). We anticipate D9902B failure, given that it is a more robust trial and our belief that PROVENGE will not succeed in a more stringent trial.

Valuation. We reiterate our Sell rating and target price of $1.50, which is based on our lack of faith in PROVENGE approval and our calculated cash per-share estimate for 2Q07.

* Risks. Risks applicable to DNDN not achieving our $1.50 target price include: (1) successful product development, (2) successful business development, (3) successfully competing, and (4) market risk involving positive share-price trends in the biotech sector in general.

Date: Mar 1 2007 8:59:35 Wire: BLOOMBERG News (BN) By Luke Timmerman

Dendreon's Provenge to Be Reviewed by Cell Drug Panel (Update1) - (Updates shares in fifth paragraph)

March 1 (Bloomberg) -- Dendreon Corp.'s request to make Provenge, a prostate cancer treatment, the first drug sold to stimulate the human immune system against malignant tumors will be reviewed this month by U.S. advisers.

A panel of experts on cell and gene therapies will weigh the proposal for the U.S. Food and Drug Administration on March 29, the Seattle-based company said today. Dendreon is seeking approval to treat prostate cancer, which killed 27,350 in the U.S. last year, in men in whom hormone therapies failed.

Dendreon is counting on Provenge to become its first marketed product, 15 years after the biotechnology company was founded to develop a new class of drugs to activate the immune system to attack tumors as if they were a virus. The drug's approval chances are higher under this advisory panel than if Provenge had been scrutinized by a panel that deals with cancer drugs, said Analyst David Miller of Biotech Stock Research.

``Having Provenge go to this particular panel gives it a fighting chance," said Miller, whose independent equity research firm is located in Seattle. Miller said he has owned Dendreon shares for seven years

Dendreon shares rose 31 cents, or 6.6 percent, to $4.95 a share in pre-market trading at 8:22 a.m. New York time.

The FDA follows the recommendations of its advisory panels the majority of the time. The agency division that reviews biotech drugs such as Provenge has historically been willing to approve products based on a single well-controlled clinical trial, instead of two trials, as is customary with the cancer drug division, Miller said. The FDA staff reviewing Provenge have also worked with the company for years and are familiar with its technology, he said.

Seeking Approval

Dendreon is seeking approval for Provenge to treat prostate cancer in men in whom hormone therapies failed. The American Cancer Society, based in Atlanta, estimates that 27,350 men died from the disease in the U.S. in 2006, and 234,000 new cases were diagnosed.

Provenge could reach $1 billion in peak sales in 2011 if it's approved this year, Mark Monane, an analyst at Needham & Co. in New

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Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

York, wrote in a January research report. The FDA's deadline for completing its review of Provenge is May 15. It usually follows the advice of its expert panels.

In a trial of 127 men who had failed on prior therapies, patients who took Provenge lived a median time of 4.5 months longer than men on a placebo, according to a Dendreon-sponsored study published in July in the Journal of Clinical Oncology. Three years later, 34 percent of patients on Provenge were alive, compared with 11 percent of those on placebo.

Signs of Improvment

Another trial, with 98 patients, showed signs of improving survival, although the results lacked statistical significance, Dendreon said in its 2005 annual report to shareholders. The drug's side effects in both trials were fever and chills that lasted for one to two days, according to company reports.

Patients who take Provenge give blood, and some of their most potent immune system cells are separated in a lab procedure. The cells are shipped to the company and incubated with a genetically engineered protein found on prostate cancer cells. During the next day or two, the cells are supposed to recognize the protein as a foreign invader, like a virus. The cells are then shipped back to the clinic and re-infused into the patient.

Dendreon was founded in 1992 and has accumulated a deficit of $370.9 million from its founding through the third quarter of 2006, according to the company's quarterly report filed with the U.S. Securities and Exchange Commission.

Dendreon's only other product in clinical development is an immune-stimulating drug against breast cancer, according to the company's Web site.

Date: Mar 1 2007 11:57:19 Wire: Briefing.com Global Menu (BRF)

DNDN: Dendreon's PROVENGE data does not support FDA approval - Brean Murray (4.47 -0.17) [Update]

Brean Murray notes that the Center for Biologics Evaluation's Cellular, Tissue, and Gene Therapies Advisory Committee will review the B.L.A for PROVENGE on Mar 29-30. They do not believe that the PROVENGE B.L.A conclusively supports approval. In their opinion, the first two Phase 3 trials failed their primary endpoints and instead used the secondary median survival endpoint, encompassing time during which post-progression treatment was highly variable. Firm maintains their belief that DNDN is banking more on the dire need for safer prostate cancer therapies given the large and growing incidence of the disease, and less on the merits of its trials' results. In their opinion, there is little left to do outside of awaiting the FDA's decision on or before May 15, and they believe that the FDA will ultimately award DNDN an approvable letter at best.

Date: Mar 1 2007 16:07:18 Wire: BLOOMBERG News (BN) By Luke Timmerman

Dendreon's U.S. Review Assigned to Cell, Gene Panel (Update4) - (Updates share drop, adds closing price in first and fifth paragraphs.)

March 1 (Bloomberg) -- U.S. regulators assigned a review of Dendreon Corp.'s experimental prostate cancer treatment to a committee of experts on cell and gene therapies. Shares of the biotechnology company fell the most in 4 1/2 months on skepticism the drug will win approval.

The Food and Drug Administration panel will consider the drug, Provenge, at a March 29 meeting, Dendreon said today in a statement. The drug would be the first approved treatment to stimulate the immune system against cancer, according to the Seattle-based company, which has worked on this approach to cancer therapy for 15 years.

While Provenge may generate $1 billion in annual sales if approved, the FDA is likely to demand more data, said Jonathan Aschoff, an analyst with Brean Murray, Carret & Co. in New York.

More investors are betting against approval as short interest on the stock has been rising since Octobe

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

``The Provenge data submitted by Dendreon simply does not provide a solid body of evidence, in our opinion, for any advisory committee to recommend outright approval,'' wrote Aschoff in a note to clients today. He has a sell recommendation on Dendreon shares and doesn't own any.

Dendreon shares fell 41 cents, or 8.8 percent, to $4.23 at 4 p.m. New York time in Nasdaq Stock Market composite trading. The stock has declined 14 percent in the past 12 months. Volume was four times higher today than the average in the past three months.

The Right Committee

Other analysts say the committee assignment may make the path to approval easier than had the agency chosen a panel specializing in cancer drugs. The latter typically requires two successful trials, while the cell and gene group often accepts just one, said analyst David Miller of Biotech Stock Research in Seattle.

``Having Provenge go to this particular panel gives it a fighting chance,'' said Miller, whose firm does independent equity research. He has owned Dendreon shares for seven years.

The FDA division that reviews biotech drugs such as Provenge has historically been willing to approve products based on a single well-controlled clinical trial, Miller said. The FDA staff reviewing Provenge has also worked with the company for years and is familiar with the technology, he said.

``These doctors are more knowledgeable about this particular drug and the way immunotherapies might work,'' said Charles Duncan, an analyst with JMP Securities in New York, in a telephone interview.

There's a 70 percent likelihood that the FDA will find the treatment can be approved after Dendreon submits more interim data from an ongoing trial, Duncan said. In that case, the stock may double to about $10 a share, he said. Duncan's firm hasn't done investment banking with Dendreon in the past 12 months, and he doesn't own the stock. His target for the share price is $12.

Short Positions Rise

More investors are betting Dendreon will fail. About 20 million shares were held in a short position in February, almost double the number a year earlier, according to data compiled by Bloomberg. People who sell short try to profit by borrowing stock and repurchasing the securities later at a lower price to return to the holder. The number of Dendreon shares being shorted rose 63 percent from November to February.

Most cancer specialists were trained with the idea that cancer has wrecked their patients' immune systems, and to them it sounds impossible to repair, according to JMP Securities' Duncan.

``You can tell some of these people the sky is blue, and they will tell you that you're wrong,'' he said of oncologists. Younger doctors are more open to the idea, he said.

The American Cancer Society, based in Atlanta, estimates that 27,350 men died from prostate cancer in the U.S. last year, and 234,000 new cases were diagnosed. Dendreon is seeking approval to market its product for men in whom hormone therapies failed. Provenge would be the first drug sold to stimulate the human immune system against malignant tumors.

Sales Potential

Sales of Provenge may reach $1 billion in 2011 if approved this year, Mark Monane, an analyst at Needham & Co. in New York, wrote in a January research report.

The FDA's deadline for completing its review is May 15. The agency usually follows the recommendations of its advisory panels, though it isn't required to do so.

In a trial of 127 men who had failed on other therapies, patients who took Provenge lived a median 4.5 months longer than those on a placebo, according to a Dendreon-sponsored study published in July in the Journal of Clinical Oncology. Three years later, 34 percent of patients on Provenge were alive, compared with 11 percent of those on a placebo.

Signs of Improvemen

Dendreon Securities Litigation

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					Another trial, with 98 patients, showed signs of improved survival, although the results lacked statistical significance, Dendreon said in its 2005 annual report. The drug's side effects in both trials were fever and chills that lasted for one to two days, according to company reports. Patients who take Provenge give blood, and some of their most potent immune system cells are separated in a lab procedure. The cells are shipped to the company and incubated with a genetically engineered protein found on prostate cancer cells. During the next day or two, the cells are supposed to recognize the protein as a foreign invader, like a virus. The cells are then shipped back to the clinic and re-infused into the patient. Since its 1992 founding, Dendreon has accumulated a deficit of $370.9 million through the third quarter of 2006, according to the company's quarterly report filed with the U.S. Securities and Exchange Commission. Dendreon's only other product in clinical development is an immune-stimulating drug against breast cancer, according to the company's Web site.
3/2/2007	3,343,789	$4.09	-3.31%	(0.25)	
3/5/2007	2,754,959	$4.11	0.49%	0.96	
3/6/2007	2,543,710	$4.07	-0.97%	(1.53)	
3/7/2007	2,296,831	$4.01	-1.47%	(0.17)	
3/8/2007	2,580,263	$3.98	-0.75%	(0.49)	
3/9/2007	1,514,143	$4.05	1.76%	0.96	
3/12/2007	4,833,843	$4.16	2.72%	0.71	
3/13/2007	3,369,776	$4.03	-3.13%	0.10	
3/14/2007	2,620,498	$3.89	-3.47%	(1.69)	*Date: Mar 14 2007 7:00:22 Wire: PR Newswire: U.S. (PRN)* **Dendreon Reports Fourth Quarter and Year End 2006 Financial Results** SEATTLE, March 14 /PRNewswire-FirstCall/ -- Dendreon Corporation (Nasdaq: DNDN) today reported results for the year and quarter ended December 31, 2006. Revenues for the year ended December 31, 2006 were $273,000 compared to $210,000 for the year ended December 31, 2005. Revenues for the fourth quarter of 2006 were $86,000, compared to $37,000 for the same period in 2005. The net loss for the year ended December 31, 2006 was $91.6 million, or $1.27 per share, compared to $81.5 million, or $1.36 per share for the year ended December 31, 2005. Net loss in the fourth quarter of 2006 was $21.5 million or $0.28 per share, compared to a net loss of $24.8 million, or $0.40 per share, for the same period in 2005. Dendreon's total operating expenses for the year ended December 31, 2006 were $97.6 million compared to $86.7 million in 2005. Net cash used in operating activities in 2006 was $81.0 million compared to $69.6 million in 2005. As of December 31, 2006, Dendreon had approximately $121.3 million in cash, cash equivalents, and short-term and long-term investments compared to $166.4 million as of December 31, 2005. In November 2006, the Company completed a registered direct public offering of common stock resulting in gross proceeds of $45 million, or $42.2 million net after offering expenses. Recent Highlights: * Completed rolling submission of Biologics License Application (BLA) to U.S. Food and Drug Administration (FDA) * FDA accepted BLA filing and assigned Priority Review status and a Prescription Drug User Fee Act (PDUFA) date for completion of review of the Provenge(R) (sipuleucel-T) BLA by May 15, 2007 * PROVENGE will be reviewed by the FDA's Cellular, Tissue and Gene Therapies Advisory Committee on March 29, 2007 * Preliminary results from ongoing PROTECT (P-11) clinical trial indicated the drug's potential to benefit patients with earlier-stage prostate cancer

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* Gregory T. Schiffman, formerly of Affymetrix, Inc., joined Dendreon as Senior Vice President and Chief Financial Officer

"2006 was a year of solid accomplishments for Dendreon as we focused on bringing PROVENGE toward commercialization," said Mitchell H. Gold, M.D., president and chief executive officer of Dendreon. "PROVENGE offers a first-to-market opportunity for our novel oncology platform and may provide physicians with a new option for treating prostate cancer patients to help them live longer and better lives. We are looking forward to our Advisory Committee meeting at the end of this month.

Conference Call Information

Dendreon plans to schedule a webcast conference call following the Advisory Committee meeting.

Date: Mar 14 2007 7:04:30 Wire: Briefing.com Global Menu (BRF)

DNDN: Dendreon reports Q4 EPS of ($0.28) vs ($0.29) Reuters consensus; reports revs up 232% yr/yr to $0.86 mln vs $0.12 mln consensus (4.03)

03.14.2007 McAdams Wright Ragen - Paul C. Latta, CFA

Dendreon Corporation (DNDN) - No Surprises in Q4; FDA Panel Meeting Imminent

* Dendreon reported Q4 and 2006 EPS results that were generally in line with expectations. The loss for 2006 amounted to $1.27 per share.

* An FDA panel meeting is scheduled for March 29th to review Dendreon's lead drug, Provenge. Consensus appears to be that the drug will be neither approved nor rejected, but will be marked as "approvable," likely subject to the completion of the IMPACT study in the 2010 time frame.

* DNDN is rated Hold.

Dendreon reported results for Q4 and for 2006 before the open of the market this morning. Loss for the year of $1.27 per share was in line with our estimate of a loss of $1.27 per share. For the quarter, the company reported a loss of $0.28 per share.

Cash and equivalents at the end of the quarter amounted to $121.3 million or $1.60 per share. This is up from the $92.6 million or $1.30 per share at the end of the third quarter, mainly due to the November common stock offering.

We suspect that today's earnings results will garner only cursory attention in view of the importance and imminence of the upcoming FDA panel meeting. Recall, Dendreon's lead drug Provenge is scheduled to be reviewed by the FDA's Cellular, Tissue and Gene Therapies Advisory Committee (CTGTAC) on March 29th. A formal FDA decision on Provenge, which will likely follow the advice of the panel, is due on or before the PDUFA date of May 15th.

The street consensus appears to be that Provenge will be neither approved nor rejected, but rather will be marked as "approvable" subject to additional data/testing (including, most likely, the completion of the ongoing IMPACT/DD-9902B study in the 2010 time frame). We continue to believe that an outright rejection is very unlikely in view of the strong safety database and limited treatment options. Briefing documents will likely be filed by the FDA on March 27th on the FDA website, two days before the panel meeting, which will include FDA comments and questions for the panel. We highlight the briefing documents date, mainly because a number of the recent briefings we have been witness to (on other companies) have meaningfully impacted the substance of the debate between bulls and bears, as well as the conclusions of the FDA panel.

We would remind investors that FDA panels generally do not make a formal conclusive decision on the drug. However, the FDA may choose to have the panel provide a more oblique opinion by voting on, say, whether the Provenge benefits outweigh the risks. While this advice from the panel is usually followed through by the FDA, there may be a fair amount of room for interpretation, until the May 15th FDA decision date.

We are holding our 2007 estimate steady at a loss of $1.00, which assumes a modest improvement in the burn rate versus 2006.

Dendreon Securities Litigation

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					However, there is some level of uncertainty in our estimate depending on the outcome of the upcoming FDA decision, as well a management guidance. Management does not expect to provide 2007 guidance until after the May 15th FDA decision. The stock has softened somewhat in recent weeks, likely due to a combination of factors including overall market softness, sector weakness, and perhaps some fears associated with the upcoming panel meeting. This may limit downside to the stock in the event of an approvable decision. We continue to rate the stock Hold. *Date: Mar 14 2007 9:03:07 Wire: Company Filings (CFL)* **ARD:Dendreon Corp:DNDN US:Finl P 03/14/2007**
3/15/2007	3,498,756	$3.78	-2.83%	(1.27)	*March 15, 2007 Brean Murray, Carret & Co. - Jonathan Aschoff, Ph.D* **Dendreon Corp.(DNDN/NASDAQ) - Reports 4Q06 and 2006 Financial Results** * Dendreon 4Q06 and year-end 2006 results. The company reported 4Q06 EPS of ($0.28) and year-end 2006 EPS of (1.27), on target with our 4Q06 estimate of ($0.28) and below our 2006 estimate of ($1.17), and below 4Q06 consensus of ($0.29) and 2006 consensus of ($1.22). Dendreon finished the year with approximately $121.3 million in cash, which is enough to fund operations through mid-2008, in our view. * Conference call postponed until after CBER panel. Today's usual quarterly conference call was postponed due to the near-term CBER panel review of the PROVENGE BLA on March 29. * Reiterate belief that PROVENGE data does not support FDA approval. We do not believe that the PROVENGE BLA conclusively supports approval. In our opinion, the first two Phase 3 trials failed their primary endpoints and instead used the secondary median survival endpoint, encompassing time during which post-progression treatment was highly variable. We think this is highly confounding to the analysis, given that 75% of placebo patients crossed over to PROVENGE upon disease progression. Additional information released by Dendreon in October for PROVENGE (D9901 and D9902A exploratory studies) is superficial data dredging, in our view, and therefore does not warrant reconsideration of our position. The PROTECT trial results to this point do not add significantly to our PROVENGE opinion, given its focus on biochemical and immunological markers, and the lack of any statistical significance in the metastasis endpoint. The metastasis endpoint was the primary endpoint of the PROTECT trial, not PSADT, and missing primary endpoints seem to be par for the PROVENGE course. * Approvable letter remains best-case scenario. We maintain our belief that Dendreon is banking more on the dire need for safer prostate cancer therapies given the large and growing incidence of the disease and less on the merits of its trials' results. In our opinion, there is little left to do outside of awaiting the FDA's decision on or before May 15, and we believe that the FDA will ultimately award Dendreon an approvable letter at best, contingent on the D9902B trial results (expected in 2H08). We anticipate D9902B failure, given that it is a more robust trial and our belief that PROVENGE will not succeed in a more stringent trial. * Valuation. We reiterate our Sell rating and target price of $1.50, which is based on our lack of faith in PROVENGE approval and our calculated cash per-share estimate for 2Q07. * Risks. Risks applicable to DNDN not achieving our $1.50 target price include: (1) successful product development, (2) successful business development, (3) successfully competing, and (4) market risk involving positive share-price trends in the biotech sector in general.
3/16/2007	3,623,784	$3.65	-3.44%	(0.96)	

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
3/19/2007	2,850,255	$3.77	3.29%	0.86	*Date: Mar 19 2007 23:09:56 Wire: Market News Publishing (CMN)* **DNDN US: Free Cash Flow for Dendreon Reaches Two Year High** CashFlowNews.com reports that negative Free Cash Flow for Dendreon Corporation (NASDAQ:DNDN) for its quarter ended December 31, 2006 was $(14,269,000), a 18.5% improvement over the year earlier same quarter when Dendreon generated $(17,505,000) in negative Free Cash Flow. Dendreon has generated twenty-one consecutive quarters of negative Free Cash Flow. Free Cash Flow for the most recent quarter also reached a two year high. For Dendreon's twelve months ended December 31, 2006 Free Cash Flow was $(93,458,000), compared with $(79,012,000), a 18.3% deterioration over the comparable year earlier twelve months. Free Cash Flow for the most recent twelve months also reached a six year low. The shares of Dendreon were recently trading at $3.65 which is within 1% of their three year low of $3.62 on March 16, 2007.
3/20/2007	2,261,421	$3.70	-1.86%	(1.25)	
3/21/2007	3,663,607	$3.70	0.00%	(1.30)	*Date: Mar 21 2007 1:27:41 Wire: Market News Publishing (CMN)* **DNDN US: EBITDA Improves 10.3%** CashFlowNews.com reports that negative EBITDA for Dendreon Corporation (NASDAQ:DNDN) for its quarter ended December 31, 2006 was $(22,842,000), a 10.3% improvement over the year earlier same quarter when Dendreon generated $(25,464,000) in negative EBITDA. Dendreon has generated twelve consecutive quarters of negative EBITDA. For Dendreon's twelve months ended December 31, 2006 EBITDA was $(92,151,000), compared with $(83,508,000), a 10.4% deterioration over the comparable year earlier twelve months. EBITDA for the most recent twelve months also reached a six year low. The shares of Dendreon were recently trading at $3.65 which is within 1% of their three year low of $3.62 on March 16, 2007.
3/22/2007	2,376,758	$3.95	6.76%	2.82	
3/23/2007	9,460,320	$4.47	13.16%	5.96	*Date: Mar 23 2007 11:27:16 Wire: Minyanville (MVL) by David Miller* **Minyanville's David Miller: Biotech Roundup: Dendreon** D-Day for Dendreon Both sides of what might be the biggest biotech regulatory decision of the year are at a fever pitch when it comes to Dendreon (DNDN) and next Thursday's FDA advisory panel vote on its prostate cancer drug Provenge. Even though my firm has been positive on the drug for five years, the bulls think we're caving in to "pressure" from the bears because we've urged put coverage and caution. Despite having these puts in place to hedge the risk for over a year, the bears think we are recklessly bullish. I suppose it's because my firm is now hated by extremists on both sides, which means we have it about right. I think the drug works and should be approved. If the FDA asked me to be on their advisory panel meeting next Thursday, that's the way I would vote. The totality of the clinical evidence, compared to no serious side effects directly attributable to the drug, is highly persuasive. The statistical issues are minor and, in any case, are unique enough that any positive vote I make would not lead to the improper approval of lesser drugs in the future. Unfortunately, I don't get a vote. More importantly, I don't get to participate in the panel discussion to constantly remind the panel that their job is not to be the guardian of the FDA's myriad approval rules, but to provide clinically-based advisory input. Instead of being able to do something about the vote, I have to sit here and pay more attention to where the stock is going. After all, we can't buy or sell fundamentals. All we can do as investors is buy and sell the stock. As I have noted over and over, the fundamental value of a company and the price of its stock are only coincidentally related. With the stock at 52-week lows as I write this, I find it amazing how little chance Wall Street gives this approval. Provenge will sell at

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					least a billion dollars at market maturity. Anyone buying next Wednesday could get that billion dollars in future revenues for about $300 million in market cap. A billion dollars in 2011 sales probably generates ~$500 million in gross profit (ultra-conservatively) on this one product. A typical biotech multiple is 20-30ish. Even assuming a post-approval financing would bump the shares outstanding to 100 mln; you do the math. Then figure out the discount required to get back to today's $300 mln market cap. Let me remind you of the bear case here: The bears say Provenge won't be approved because the company chose progression instead of survival as the primary endpoint, and one valid statistical analysis method ahead of another valid statistical analysis method. Yeah, the argument is just that. All the company's other fundamental arguments have been proven wrong over the last couple of years. If Dendreon has moved a couple of words around in their trial planning documents back in 1999 when these trials were designed, Provenge would already be on the market. Because it didn't, now the bears are comfortable with about 1/3 of the float short. As I said before, the risk of the advisory panel choosing process over patients means a downside risk below $2. Upside is a multiple of the current market cap. Here at BSR, we are using some group buying power to offer a discounted rate to view the live web cast of the Provenge panel. Click here for more information. Act fast, because the offer ends tomorrow (Saturday). *Date: Mar 23 2007 15:35:46 Wire: TheFlyontheWall.com (FLY)* **Dendreon-DNDN April 5 straddle expensive on heavy volume suggest** Dendreon-DNDN April 5 straddle expensive on heavy volume suggesting Large Risk DNDN, a biotechnology company focused on the discovery, development and commercialization of therapeutics that harness the immune system to fight cancer, is recently up .45 to $4.40. DNDN call option volume of 40,807 contracts compares to put volume of 28,190 contracts. DNDN April 5 straddle is at $2.85, suggesting large price risk. *Date: Mar 23 2007 16:05:20 Wire: TheFlyontheWall.com (FLY)* **Option Update – March 23, 2007 [MORE]** Volatility Index S&P 500 Options-VIX down .02 to 12.93. Option volume leaders HAL MOT AAPL DNDN
3/26/2007	16,234,678	$4.54	1.57%	0.93	*Date: Mar 26 2007 10:10:14 Wire: TheFlyontheWall.com (FLY)* **Dendreon-DNDN straddles expensive on heavy volume suggesting Lar** Dendreon-DNDN straddles expensive on heavy volume suggesting Large Risk DNDN, a biotechnology company focused on the discovery, development and commercialization of therapeutics that harness the immune system to fight cancer, is recently up .57 to $5.03. DNDN lead drug Provenge (treatment of asymptomatic, metastic, androgen-independent prostate cancer) has a PDUFA date on May 15th. DNDN call option volume of 15,831 contracts compares to put volume of 14,850 contracts. DNDN April 5 straddle is at $3.20, the May straddle is priced at $4.05 suggesting large price risk. *Date: Mar 26 2007 10:19:52 Wire: BLOOMBERG News (BN) By Luke Timmerman* **Dendreon Seeks Approval for First Cancer Immunotherapy** March 26 (Bloomberg) -- Dendreon Corp. has spent 15 years developing what could become the world's first drug to stimulate the body's immune system to fight off cancer. The company's shares rose as much as 17 percent in anticipation it will win U.S. backing for the drug. Shares of Seattle-based Dendreon rose 45 cents, or 10 percent, at 10:14 a.m. New York time in Nasdaq Stock Market composite

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trading after touching $5.23. On Thursday, the company will make its case for approval of the drug, Provenge, before advisers to the Food and Drug Administration at a hearing Thursday.

The therapy is intended to train the body's immune system to fight prostate cancer as if it were a virus. It would be a new option against a disease that kills 27,000 men in the U.S. each year, according to the American Cancer Society. One trial showed Provenge extended men's lives by 4.5 months; another failed

``I am almost certain the panel will not recommend approval of Provenge given the data that's submitted,'' said Jonathan Aschoff, an analyst with Brean Murray Carret & Co. in New York, in a telephone interview. Aschoff's firm hasn't done business with Dendreon, and he doesn't own any shares. He rates the shares ``sell.''

The FDA advisers, meeting in Gaithersburg, Maryland, may tell Dendreon to come back in the second half of 2008, when it has results from a continuing study of 500 men, Aschoff said. The FDA generally follows the recommendations of its outside experts, although it isn't required to do so.

Provenge would be Dendreon's first drug on the market and could have U.S. sales of more than $1 billion a year, analysts say

Date: Mar 26 2007 12:37:50 Wire: BLOOMBERG News (BN) By Luke Timmerman

Dendreon Shares Surge on Prostate Cancer Treatment (Update3) - (Adds updated share price in second paragraph.)

March 26 (Bloomberg) -- Shares of Dendreon Corp. rose as much as 17 percent in anticipation that the company will win U.S. approval for the world's first drug to stimulate the body's immune system to fight off prostate cancer.

The Seattle-based company's shares rose 49 cents, or 11 percent, to $4.90 at 11:49 a.m. New York time in Nasdaq Stock Market composite trading after touching $5.23. The stock is up 13 percent in the last 12 months and 34 percent in the last three days of trading.

The company's therapy, Provenge, is intended to train the body's immune system to fight prostate cancer as if it were a virus. It would be a new option against a disease that kills 27,000 men in the U.S. each year, according to the American Cancer Society. The drug will be considered on Thursday by an advisory panel to the U.S. Food and Drug Administration.

``Every doctor we talk to says that if the FDA approves this drug, they will prescribe it,'' said David Miller, president of Biotech Stock Research, an independent equity research firm in Seattle, who owns shares.

The advisory panel, meeting in Gaithersburg, Maryland, will face contradictory results from studies. One trial showed Provenge extended men's lives by 4.5 months; another failed. The FDA generally follows the advice of its outside experts, although it isn' required to do so.

The regulatory agency may tell Dendreon to come back in the second half of 2008, when it has results from a continuing study of 500 men, said Jonathan Aschoff, an analyst with Brean Murray Carret & Co. in New York, in a telephone interview. Aschoff's firm hasn't done business with Dendreon, and he doesn't own any shares. He rates the stock ``sell.''

Provenge would be Dendreon's first drug on the market and could have U.S. sales of more than $1 billion a year, analysts say

How It Works

The drug, called an immunotherapy, doesn't work like a traditional cancer treatment and would be the first treatment of its kind against cancer. Blood is drawn from a patient, and some white blood cells vital to the immune system are separated in a lab.

The white blood cells are shipped to the company and incubated with a genetically engineered protein found on prostate cancer cells. The white blood cells are supposed to recognize the protein as an invader, and attack the cells that contain it. The revved-up white blood cells are then shipped back and re-infused into the patient.

In a trial of 127 men for whom other therapies had failed, patients on Provenge lived a median 4 1/2 months longer than those on a placebo, according to a Dendreon-sponsored study published in the Journal of Clinical Oncology. Three years later, 34 percent of

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patients on Provenge were alive, compared with 11 percent on a placebo.

A Study Failure

Another trial, with 98 patients, showed signs of improved survival, although the results weren't statistically significant, Dendreon said in its 2005 annual report. Provenge's side effects were fever and chills that lasted one to two days.

Provenge failed to demonstrate that it could slow the cancer's progression, the primary statistical goal of the studies. Dendreon has said that may be because it can take weeks for Provenge to charge up the immune system.

Many investors have been betting Dendreon will fail. About 20 million shares were held in a short position in February, almost double the number a year earlier, according to data compiled by Bloomberg. People who sell short try to profit by borrowing stock and repurchasing the securities later at a lower price to return to the holder.

Doctors see a promising combination in Provenge's survival edge and its mild side effects, said Neal Shore, a prostate cancer specialist with Carolina Urologic Research Center in Myrtle Beach, South Carolina.

Another Treatment

The other treatment recently approved for prostate cancer, Taxotere, a chemotherapy drug, improved median survival by 2.4 months, with more harsh side effects than Provenge, he said. ``Nothing out there compares to Provenge,'' Shore said in a telephone interview.

Dendreon has said Provenge will be priced similarly to other biotech cancer drugs. That could be at least $45,000 a patient, said Miller, who predicted $1 billion a year in U.S. sales if the drug is approved.

The company holds exclusive worldwide rights to Provenge, according to its annual report filed with the Securities and Exchange Commission. Dendreon has said it would seek help from a partner to gain approval in the European Union.

Since its 1992 founding, Dendreon has accumulated a deficit of $392.4 million through the end of 2006, according to a regulatory filing. The company said it has one other drug in clinical trials for breast cancer.

March 27, 2007 Stanford Group Company - Gregory K. Frykman

Slim Chance for Provenge on Thursday; Conspicuous Absence of Critical Study Heightens our Pessimism

Summary: With the availability of the Food and Drug Administration’s (FDA) review documents for Dendreon’s Provenge (spiuleucel T), a dendritic cell vaccine for men with asymptomatic androgen independent prostate cancer (AIPC), our brief review essentially confirms our view of the marginal, but conflicting results, and we continue to give low odds of success -- on the order of 20-30% -- of a positive endorsement by the Center for Biologics Evaluation and Research (CBER) Cellular, Tissue and Gene Therapies Advisory Committee when it meets on Thursday.

In years past, we have written about this therapeutic approach several times and have watched with investors the continual failing of other active immunotherapeutic approaches to cancer management by such companies as Genitope, Favrille, Large Scale Biology, CancerVax, Biomria, Antigenics, and others.

Little Enthusiasm for Provenge Felt by FDA Reviewers

Our initial take on both the clinical and statistical reviews suggest little enthusiasm about Provenge, a biologic that has been under full development for at least 7 years. We note the finding of a survival improvement arising out of Study 9901, but we believe that this is likely a spurious finding given that it was not confirmed in Study 9902A. We also note, as did the FDA reviewers, that there seems to be no improvement in the time to disease progression (TTP) despite the presence of a survival improvement, something we have some difficulty reconciling.

Our odds are not lower, however, because of the occasional unexpected strong voice of support for approval or disapproval that can sometimes arise. Moreover, we note that this vaccine, whose safety and efficacy might normally be reviewed by the Center for Drug Evaluation and Research (CDER) Oncologic Drugs Advisory Committee (ODAC), may be heard by more sympathetic ears of the

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					Cellular, Tissue and Gene Therapies Advisory Committee. Most Thoughtful and Passionate Discussion Likely from Prostate Cancer Pros While this committee is not one we spend much time in following, we note the augmentation for Thursday's meeting with two genitourinary (GU) oncologists that can have very different views on the appropriate regulatory treatment of GU oncology issues and new drugs. Dr. Maha Hussain, an outspoken ODAC member and recent acting chair has struck us as quite conservative in her view, frequently voting against new drugs or indications that may be marginal. On the other hand, Dr. Howard Scher, has been equally outspoken about the need for new therapies and regimens for this difficult, prevalent and unmet medical need. We anticipate Dr. Hussain will speak out strongly against Provenge, though we are less sure of Dr. Scher's position. If both of these recognized GU oncologic experts speak out against the drug, we find it hard to believe the FDA would take a positive vote seriously. Implications of a Provenge Approval….However Unlikely Should the drug be recommended for approval on Thursday, we would give 80% odds that the FDA would follow the advisory committee's advice. Such an approval could have negative implications for GPC Biotech, Spectrum and Pharmion's satraplatin, but would probably not affect the use of Sanofi- Aventis' Taxotere (docetaxel) materially in AIPC. We have been particularly critical of satraplatin, though the data seems to hold together and we look forward to a full vetting of the application by the FDA to better understand the fate of this novel, oral platinum, intended for a similar clinical setting as Provenge. An FDA approval of Provenge would likely be viewed as very positive by developers of vaccines for other cancer indications mentioned above, and would likely establish Dendreon's approach as the vaccine paradigm to follow in other malignancies. However, should the FDA approve Provenge, we see limited potential for the drug given the conspicuous lack of new information about the critical 9902B study that was mandated by the FDA several years ago to help answer the many questions arising from Study 9901. To be clear, we believe Study 9902B has failed and this lack of efficacy in a much larger study, albeit in a slightly different patient population based on Gleason's score, would seriously erode confidence in this therapeutic approach in the minds of practitioners and payors. Briefing information and the agenda for the all-day meeting on Dendreon's application may be found at http://www.fda.gov/ohrms/dockets/ac/acwhatsnew.htm.
3/27/2007	10,832,120	$4.62	1.76%	1.12	*March 27, 2007 Brean Murray, Carret & Co. - Jonathan Aschoff, Ph.D* **Dendreon Corp. - CBER Briefing Document Questions Efficacy and Highlights Safety Concern for PROVENGE** Investment Summary * Post hoc analysis calls into question survival efficacy claims. In a CBER clinical briefing document posted today, reviewers highlighted concerns over the post hoc analysis used to determine survival. Only one trial, D9901, demonstrated a statistically significant increase in survival; D9902A demonstrated a six-month difference in survival versus D9901, suggesting irregularities in trial protocol such as chemotherapy use postprogression in the D9901 trial. According to today's review, lack of survival as a predefined endpoint renders a true estimation of survival very difficult to conclude, especially with no prospectively defined analysis with which to determine the statistical significance of the survival difference. * Serious adverse events increase doubt on PROVENGE approvability. Cerebrovascular accidents (CVAs), otherwise known as strokes, appeared to occur more frequently in PROVENGE-treated subjects; 8 of 147 (5.4%) PROVENGE treated patients experienced CVArelated SAEs, compared to 0 in placebo-treated patients in D9901 and D9902A. In the ongoing D9902B trial, 5 of 198 (2.5%) PROVENGEtreated subjects developed a CVA compared to 1 of 96 (1.0%) placebotreated subjects. We believe that a drug demonstrating no statistically significant improvement in disease progression, questionable survival efficacy and a life-threatening side effect would not, in any way, be recommended for approval by the FDA panel, regardless of unmet medical need.

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Discussion

* Reiterate belief that PROVENGE BLA data does not support FDA approval. In our opinion, the first two Phase 3 trials failed their primary endpoints and instead used a secondary, post hoc, median survival endpoint, encompassing time during which post-progression treatment was highly variable. We think this is highly confounding to the analysis, given that 75% of placebo patients crossed over to PROVENGE upon disease progression. Additional information released by Dendreon in October for PROVENGE (D9901 and D9902A exploratory studies) is superficial data-dredging, in our view, and therefore does not warrant reconsideration of our position. The PROTECT trial results to this point do not add significantly to our PROVENGE opinion, given its focus on biochemical and immunological markers, and the lack of any statistical significance in the metastasis endpoint. The metastasis endpoint was the primary endpoint of the PROTECT trial, not PSADT, and missing primary endpoints seem to be par for the PROVENGE course.

Approvable letter remains best-case scenario. We maintain our belief that Dendreon is banking more on the dire need for safer prostate cancer therapies given the large and growing incidence of the disease and less on the merits of its trials' results. In our opinion, there is little left to do apart from awaiting the FDA's decision on or before May 15. We believe that the FDA will ultimately award Dendreon an approvable letter at best, contingent on the D9902B trial results (expected in 2H08). We anticipate D9902B failure, given that it is a more robust trial. In our opinion, PROVENGE will not succeed in a more stringent trial.

* Valuation. We reiterate our Sell rating and target price of $1.50, which is based on our lack of faith in PROVENGE approval and our calculated cash per share estimate for 2Q07.

* Risks. Risks applicable to DNDN not achieving our $1.50 target price include: (1) successful product development; (2) successful business development; (3) successfully competing; and (4) market risk involving positive share-price trends in the biotech sector in general.

Date: Mar 27 2007 9:00:15 Wire: PR Newswire: U.S. (PRN)

Dendreon to Hold Post Advisory Committee Conference Call

SEATTLE, March 27 /PRNewswire-FirstCall/ -- Dendreon Corporation (Nasdaq: DNDN) today announced the Company will hold a conference call on Thursday evening to discuss the outcome of the U.S. Food and Drug Administration's Cellular, Tissue and Gene Therapies Advisory Committee meeting for Provenge(R) (sipuleucel-T), the Company's investigational active cellular immunotherapy under review for the treatment of asymptomatic, metastatic, androgen-independent (also known as hormone refractory) prostate cancer.

Time: 7:30 pm ET / 6:30 pm CT / 5:30 pm MT / 4:30 pm PT

Date: March 29, 2007

Date: Mar 27 2007 9:01:12 Wire: BLOOMBERG News (BN) By Luke Timmerman

Dendreon's Prostate Cancer Drug Leaves `Doubts,' FDA Staff Says

March 27 (Bloomberg) -- Dendreon Corp.'s Provenge has questionable effectiveness against prostate cancer, U.S. regulators said.

``Doubts remain'' about the efficacy of Provenge, staff of the Food and Drug Administration said in documents posted today on the agency's Web site. An FDA panel of experts will consider the comments before voting whether to recommend approval of the drug at a meeting Thursday in Gaithersburg, Maryland.

Date: Mar 27 2007 9:04:08 Wire: Briefing.com Global Menu (BRF)

DNDN: Dendreon to hold post advisory committee conference call on Thursday evening (4.44)

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

Co announced it will hold a conference call on Thursday evening to discuss the outcome of the U.S. Food and Drug Administration's Cellular, Tissue and Gene Therapies Advisory Committee meeting for Provenge, the co's investigational active cellular immunotherapy under review for the treatment of asymptomatic, metastatic, androgen-independent (also known as hormone refractory) prostate cancer.

Date: Mar 27 2007 9:42:25 Wire: TheFlyontheWall.com (FLY)
Most active equity option families in first 10-minutes of Trading: DNDN NYX AAPL DELL AMGN according to Track Data.

Date: Mar 27 2007 9:49:56 Wire: Briefing.com Global Menu (BRF)
DNDN: Dendreon: FDA questions effectiveness of prostate cancer drug - DJ (4.65 +0.11) - [Update]

Date: Mar 27 2007 10:30:18 Wire: BLOOMBERG News (BN) By Luke Timmerman
Dendreon Cancer Drug Leaves Doubts, FDA's Staff Says (Update3) - (Adds analyst comment in third paragraph, safety data in fifth.)

March 27 (Bloomberg) -- Dendreon Corp.'s Provenge, the first drug intended to stimulate the body's immune system to fight off prostate cancer, hasn't been proven effective, U.S. regulators said.

``Doubts remain'' about the drug's success in extending the life of patients with cancer, staff of the Food and Drug Administration said in documents posted today on the agency's Web site. Shares of Seattle-based Dendreon nonetheless rose as much as 8 percent on anticipation that an FDA panel of experts will recommend approval of Provenge at a meeting Thursday.

``Briefing documents tend to have all kinds of things in them that are negative surprises,'' said David Miller, president of Biotech Stock Research, an independent equity research firm in Seattle. Miller owns shares. ``This doesn't have many negative surprises.''

Dendreon is counting on Provenge becoming its first marketed product after 15 years of research and development. Analysts say it could generate U.S. sales of more than $1 billion a year, and offer a new option for 27,000 patients who die from the disease each year.

The company's shares rose 30 cents, or 7 percent, to $4.84 at 10:20 a.m. New York time in Nasdaq Stock Market composite trading after touching $4.90. Dendreon's shares increased 23 percent in the three days of trading ended yesterday.

Outside advisers to the FDA will recommend at their meeting Thursday in Gaithersburg, Maryland, whether the agency should approve Dendreon, reject it or demand more study results. The FDA generally follows the recommendations of its advisory panels, although it isn't required to do so.

Trial Results

One clinical trial showed Provenge could prolong lives by 4.5 months with minimal side effects; another failed. The company is conducting a 500-patient clinical trial to confirm the survival findings.

The FDA is likely to wait to see the results before ``going on a limb'' to approve Provenge, said Jonathan Aschoff, an analyst with Brean Murray Carret & Co. in New York, who has rated the stock a `sell' since November 2004. Aschoff's firm hasn't done banking with Dendreon, and he doesn't own any shares. ``You have survival data here that's extremely questionable,'' said Aschoff.

The drug appeared ``generally well tolerated,'' the FDA staff said, although 8 patients had strokes out of 147 who took Provenge in its two pivotal clinical trials, compared with no strokes in a group given a placebo, according to the document. The increased rate ``is a potential safety concern'' the FDA said.

``The submitted data tend to support a finding of clinically meaningful increased survival, but doubts remain about the persuasiveness of the efficacy data,'' according to the FDA staff analysis.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

Short Selling

Many investors have been betting Dendreon will fail. About 26 million shares were held in a short position in March, more than twice the number in December, according to data compiled by Bloomberg. People who sell short try to profit by borrowing stock and repurchasing the securities later at a lower price to return to the holder.

The first trial submitted by Dendreon showed patients on Provenge lived a median 25.9 months. The second trial, which the company has said used the same criteria, showed patients had a median survival of 19 months. The difference ``might be attributable to chance," the FDA said.

Prostate cancer is the No. 2 cancer killer among men in the U.S., killing about 27,000 men a year, the FDA said. Lung cancer is the deadliest.

Date: Mar 27 2007 12:10:00 Wire: Briefing.com Global Menu (BRF)

DNDN: Dendreon: CBER clinical document posted today questions efficacy for Provenge - Brean Murray (4.83 +0.29) [Update]

Brean Murray notes that In a C.B.E.R clinical briefing document posted today, reviewers highlighted concerns over the post hoc analysis used to determine survival. Only one trial, D9901, demonstrated a statistically significant increase in survival; D9902A demonstrated a six-month difference in survival versus D9901, suggesting irregularities in trial protocol such as chemotherapy use postprogression in the D9901 trial. Firm says according to today's review, lack of survival as a predefined endpoint renders a true estimation of survival very difficult to conclude, especially with no prospectively defined analysis with which to determine the statistical significance of the survival difference.

Date: Mar 27 2007 16:00:10 Wire: TheFlyontheWall.com (FLY)

Option Update – March 27, 2007 [MORE]

Volatility Index S&P 500 Options-VIX up .40 to 13.57 Option volume leaders today are: AAPL, DNDN, AGIX and MSFT

Date: Mar 27 2007 16:20:43 Wire: BLOOMBERG News (BN) By Luke Timmerman

Dendreon Cancer Drug Appears Safe, FDA's Staff Says (Update7) - (Gives closing share price in fifth paragraph.)

March 27 (Bloomberg) -- Dendreon Corp.'s Provenge appeared to safely treat prostate cancer in a trial of the first drug designed to stimulate the body's immune system to fight tumors, U.S. regulators said.

Shares of Dendreon rose as much as 9.5 percent, pushing the price up by a third since March 21, after the Food and Drug Administration's staff posted its analysis of the drug on the agency's Web site today. Investors are betting that a committee of advisers will recommend at a meeting this week that the FDA clear the drug.

Provenge would be Dendreon's first approved product and may generate as much as $1 billion a year in sales, analysts say. Prostate cancer kills 27,000 men a year in the U.S. The drug was tested in patients for whom other therapies didn't work. One clinical trial showed Provenge could prolong lives; another failed. The committee will have to resolve the contradiction.

``They have to ask whether they are going to deny men dying of prostate cancer because of some esoteric statistical arguments," said David Penson, a urologist at the University of Southern California's Keck School of Medicine, and an investigator on the Dendreon-sponsored trials.

Shares of Seattle-based Dendreon rose 8 cents, or 1.8 percent, to $4.62 at 4 p.m. New York time in Nasdaq Stock Market composite trading after touching $4.97.

A panel that includes cancer researchers and statisticians is expected to recommend at its meeting in Gaithersburg, Maryland March 29 whether the FDA should approve Provenge, reject it or demand more study results. The agency generally follows the

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					recommendations of its advisory panels, although it isn't required to do so. `Doubts Remain' The first trial submitted by Dendreon showed patients on Provenge lived a median 25.9 months. The second trial, which the company has said used the same criteria, showed a median survival of 19 months. The difference ``might be attributable to chance,'' the FDA staff said. ``The submitted data tend to support a finding of clinically meaningful increased survival, but doubts remain about the persuasiveness of the efficacy data,'' according to the staff analysis. Another trial of 500 patients is continuing. The FDA is likely to wait to see those results before ``going on a limb'' to approve Provenge, said Jonathan Aschoff, an analyst with Brean Murray Carret & Co. in New York, who has rated the stock a ``sell'' since November 2004. Aschoff's firm hasn't done banking with Dendreon, and he doesn't own any shares. ``You have survival data here that's extremely questionable,'' said Aschoff. Strokes in Trials Provenge appeared ``generally well tolerated,'' according to the FDA staff. Still, of 147 patients who took Provenge, 8 had strokes in its two pivotal clinical trials, compared with no strokes in a group given a placebo, according to the document. The increased rate ``is a potential safety concern'' the FDA said. Many investors have been betting Dendreon will fail. About 26 million shares were held in a short position in March, more than twice the number in December, according to data compiled by Bloomberg. People who sell short try to profit by borrowing stock and repurchasing the securities later at a lower price to return to the holder. How It Works The drug, called an immunotherapy, doesn't work like a traditional cancer treatment and would be the first treatment of its kind against cancer. Blood is drawn from a patient, and some white blood cells vital to the immune system are separated in a lab. The white blood cells are shipped to the company and incubated with a genetically engineered protein found on prostate cancer cells. The white blood cells are supposed to recognize the protein as an invader, and attack the cells that contain it. The revved-up white blood cells are then shipped back and re-infused into the patient. ``No evidence'' in the two large clinical trials indicated that charging up the immune system gave patients autoimmune diseases or other forms of cancer, Dendreon said in its briefing document for the panel. There was a ``possible increased risk of stroke,'' the company said. Doctors see a promising combination in Provenge's survival edge and its mild side effects, said Neal Shore, a prostate cancer specialist with Carolina Urologic Research Center in Myrtle Beach, South Carolina. The other treatment recently approved for prostate cancer, Taxotere, a chemotherapy drug, improved median survival by 2.4 months, with more harsh side effects than Provenge, he said. ``Nothing out there compares to Provenge,'' Shore said in a telephone interview March 21. Shore is an investigator on the ongoing Dendreon-sponsored study. Prostate cancer is the No. 2 cancer killer among men in the U.S., killing about 27,000 men a year, the FDA said. Lung cancer is the deadliest. The FDA's deadline for completing its review of Provenge is May 15, Dendreon has said.
3/28/2007	33,367,062	$5.22	12.99%	5.97	*Date: Mar 28 2007 15:35:05 Wire: Briefing.com Global Menu (BRF)* **DNDN: Dendreon: Provenge follow-up (5.07 +0.45) [Update]** As mentioned at 13:18, CNBC noted that tomorrow, March 28, DNDN will face an FDA panel that will vote on its clinical trial for

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					Provenge. It was noted that the FDA usually follows the advice of this panel. CNBC noted that DNDN is a heavily short stock with people betting against this trial. They note a positive ruling could have major implications for the sector. *Date: Mar 28 2007 15:38:35 Wire: TheFlyontheWall.com (FLY)* **Dendreon-DNDN straddles expensive on heavy volume Indicating agg** Dendreon-DNDN straddles expensive on heavy volume Indicating aggressive Risk DNDN, a biotechnology company focused on the discovery, development and commercialization of therapeutics that harness the immune system to fight cancer, is recently at $5.16. The FDA Advisory Panel Documents were released on 3/27/07 for the 3/29 FDA Advisory Panel meeting for DNDN lead drug Provenge (treatment of asymptomatic, metastic, androgen-independent prostate cancer). The PDUFA date is on May 15th. DNDN call option volume of 208,834 contracts compares to put volume of 92,614 contracts. DNDN April 5 straddle is at $3.30, the May straddle is priced at $3.80 suggesting large price risk. *Date: Mar 28 2007 15:56:24 Wire: TheFlyontheWall.com (FLY)* **Option Update – March 28, 2007 [MORE]** Volatility Index S&P 500 Options-VIX up 1.54 to 15.02 Dendreon-DNDN option volume heavy on straddles priced for $3 move into FDA meeting. DNDN, a biotechnology company focused on the discovery, development and commercialization of therapeutics that harness the immune system to fight cancer, is recently at $5.31. The FDA Advisory Panel Documents were released on 3/27/07 for the 3/29 FDA Advisory Panel meeting for DNDN lead drug Provenge (treatment of asymptomatic, metastic, androgen-independent prostate cancer). The PDUFA date is on May 15th. DNDN call option volume of 249,759 contracts compares to put volume of 110,465 contracts. DNDN April 5 straddle is at $3.15, the May straddle is priced at $3.80 suggesting large price risk. Option volume leaders today are: AAPL, DNDN, BZH and GM *Date: Mar 28 2007 23:58:47 Wire: Briefing.com Global Menu (BRF)* **'Mad Money' Recap: Sudden Death Round - TheStreet.com** During the "Sudden Death" round, Cramer was bullish on Altria (MO). He was bearish on Kraft (KFT) and Dendreon (DNDN).
3/29/2007	***Trading Halted***				*Date: Mar 29 2007 6:01:32 Wire: BLOOMBERG News (BN) By Ryan Flinn* **Jim Cramer: Accuray, Clorox, ConAgra, Jones Soda, VeriFone** March 29 (Bloomberg) -- Clorox Co. and ConAgra Foods Inc., which both have well-known brand names among their diverse products, would be worth more if broken up, CNBC host Jim Cramer said on his ``Mad Money'' television program yesterday. He also told viewers to avoid Dendreon Corp., International Business Machines Corp., Microsoft Corp., Take-Two Interactive Software Inc., Valero Energy Corp. and Wal-Mart Stores Inc. *Date: Mar 29 2007 7:16:37 Wire: TheFlyontheWall.com (FLY)* **Dendreon-DNDN straddles Prices are expensive into FDA Advisory P** Dendreon-DNDN straddles Prices are expensive into FDA Advisory Panel meeting DNDN is halted at $5.22 prior to The FDA Advisory Panel meeting today for Provenge (treatment of asymptomatic, metastic, androgen-independent prostate cancer). DNDN April 5 straddle is at $3, DNDN May straddle is priced at $3.95 suggesting large price risk.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

March 29, 2007 Stanford Group Company - Gregory K. Frykman

Does Provenge Work? Committee Thinks So, and We Doubt FDA Will Disagree

Summary: With applause and cheers for Provenge, the Food and Drug Administrator's (FDA) Cellular, Gene and Tissue Advisory Committee voted 13-4 to recommend approval of Dendreon's Provenge (sipuleucel T) for patients with asymptomatic androgen independent prostate cancer. We think this development improves the prospects for other cancer vaccines and possible adjuvants in development such as those by Biovest, Accentia, Genitope, Cell Genesys' Medarex, Bristol, Favrille Coley, Dynavax, Biogen Idec and Infinity.

Putative "Delayed Treatment Effect" Helpful to Statistical and Clinical Efficacy Dilemm

We compliment the company on its statistical consultant's use of the notion that this immunologic therapy may act in a delayed fashion, which would explain both the positive result found in Study 9901 and why it may be a number of years before we hear results on the primary efficacy endpoint in Study 9902B.

Key Result from Decades of Tumor Vaccine Work: No Correlation Between Immune Response and Objective Response

We also compliment Dendreon for its surprisingly limited emphasis on the immune correlates of Provenge activity. That is, in numerous small clinical trials of immune activating investigational agents, increases in tumor-specific or antigen-specific as well as non-specific immune system stimulation have been routinely demonstrated.

A frequently heard claim is that such immune findings are a surrogate of or predictive for endpoints such as objective response rate, progression or survival. However, one advisory committee member emphasized the sum total of the tumor vaccine field's success in this regard, with the conclusion being that there is thus far no established correlation between immune responses and tumor responses.

Patient Enthusiasm for Provenge Seems to Ignore Actual Efficacy

We were impressed with the articulate and passionate pleas for Provenge by the numerous public speakers, but we are surprised by lack of recognition by these same speakers about the fact that the survival benefit found in Study 9901 was not confirmed in Study 9902A and seems to be awfully slow in coming – if it ever does – from Study 9902B.

We have little optimism that Study 9902B will confirm the finding of Study 9901 and we can envision the FDA deferring its decision until sufficiently mature interim efficacy data from Study 9902B become available.

Product Quality: Substantial Variability Apparently Not Worrisome to FDA or its Advisors

Given the unique nature of product that is Provenge – that is, leukapheresis immune effectors such as dendritic cells and monocytes that are co-cultured with prostatic acid phosphatase (PAP) and granulocyte macrophage colony-stimulating factor (GM-CSF) to stimulate these critical cells to activate the immune system against prostate cancer – there is substantial variability in the actual re-infused, partially purified dendritic cell product.

However, this variability does not seem to particularly concern the FDA and the advisors seem to agree that definition of the manufacturing process is and the expected variability does not seem to have particularly worrisome implications on the safety and efficacy of the product.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

Provenge Risk, Benefit…..and Cost
We feel compelled to make a brief comment on the recent noise along the lines of how the high cost of cancer drugs is responsible for the growing cost of healthcare in the U.S.
The FDA asserts and the company does not disagree that the survival benefit conferred by Provenge is hard to determine. If the agreed-upon analysis by both parties is to be believed, the improvement could be 4.5 months, though a more modest survival improvement is likely.
By our calculations, under the assumptions of a 4.5 month improvement in survival at a price of $100,000 per course we calculate a cost per life-year of over $265,000. This value that strikes us as at the upper end of currently marketed therapies and on the order of two-fold higher than that for Avastin in colon cancer at (20.3 months – 15.6 months = 4.7 months; ~$50,000 per course) which comes in at about $130,000 per life year, making Avastin appear to be a veritable bargain.

Date: Mar 29 2007 8:23:42 Wire: Briefing.com Global Menu (BRF)
DNDN: Dendreon halted ahead of FDA vote on its clinical trial for Provenge (5.22)
Note that the co will hold a conf call today at 7:30ET PM to discuss the outcome.

Date: Mar 29 2007 12:39:03 Wire: BLOOMBERG News (BN) By Luke Timmerman
Dendreon Urges FDA to Approve Prostate Cancer Drug (Update2) - (Adds comments from patient advocate in ninth paragraph.)
March 29 (Bloomberg) -- Dendreon Corp. and patient advocates urged U.S. regulators to approve the company's prostate cancer drug Provenge, the first treatment to stimulate the immune system against tumor cells.
The U.S. Food and Drug Administration's panel of advisers on cell and gene therapy plans to vote today whether to recommend clearing the drug after one clinical trial showed it could prolong lives and another didn't.
Provenge would be Dendreon's first approved product and could generate as much as $1 billion a year in U.S. sales, analysts say. The drug, designed to train the body's immune system to fight prostate cancer as if it were a virus, would provide a new treatment for a disease that kills 27,000 men a year in the U.S.
``These data establish the safety and efficacy'' of Provenge, Elizabeth Smith, Dendreon's vice president of regulatory affairs, told the advisory panel meeting in Gaithersburg, Maryland. ``Today's proceedings are a significant step toward changing the landscape of prostate cancer therapy.''
The FDA generally follows the recommendations of its outside advisers, although it isn't required to do so.
One panel member, Howard Scher of Memorial Sloan Kettering Cancer Center in New York, asked the company how it can be confident Provenge would prolong the lives of the 55,000 men with advanced prostate cancer, based on small studies of 225 men.
``If one or two patients shift, suddenly you can lose significance,'' Scher said.
`Less Than Perfect'
The panel must make its decision on ``less than perfect data,'' said Brent Blumenstein, Dendreon's statistical consultant. Dendreon's trials were statistically sound, and showed benefits for all groups of patients, unlike many cancer drugs, he said.
The drug can provide hope for those whose advanced cancer can't be helped by other treatments, said representatives of advocacy groups.
``Men are begging for anything else that can save their life, and their quality of life,'' said Jim Kiefert, a 17-year prostate cancer survivor from Olympia, Washington, and chairman an organization called Us Too.
``Any delay in approving this drug will shorten the lives of tens of thousands of men,'' said David Penson, a urologist at the

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

University of Southern California's Keck School of Medicine and an investigator on a continuing Dendreon-sponsored study. ``If this drug is turned down, it will also set back the field of research into cellular immunotherapy for many, many years."

Trading in shares of Seattle-based Dendreon was halted today because of the FDA meeting. The shares gained 41 percent in the five days leading up to the panel vote, on volume more than five times the three-month average. Dendreon was the second-biggest gainer in the Nasdaq Biotech Index in that period, behind Biosite Inc., according to data compiled by Bloomberg.

Short Selling

At the same time, many investors have been betting Provenge would fail. About 26 million shares were held in a short position in March, more than twice the number in December, according to data compiled by Bloomberg. People who sell short try to profit by borrowing stock and repurchasing the securities later at a lower price to return to the holder.

The first trial submitted by Dendreon of 127 men showed that patients on Provenge lived a median 25.9 months, compared with 21.4 months for those on a placebo. The second trial, of 98 men, was designed to be identical, the company said. It showed a median survival of 19 months for Provenge patients.

`Doubts Remain'

The difference ``might be attributable to chance," the FDA staff said in briefing documents posted on the agency's Web site March 27. ``Doubts remain about the persuasiveness of the efficacy data."

Provenge appeared to be ``generally well-tolerated" for prostate cancer patients, the FDA staff said. Of the 147 patients on the drug in two pivotal trials, eight had strokes, which is a ``potential safety concern" the staff said. The most common side effects were fever and chills that lasted one to two days, according to the company.

An ongoing trial of 500 patients, designed to confirm Provenge's survival edge, should produce results in 2010, Smith said in her presentation. Analysts had been expecting the results earlier, in the second half of 2008.

How it Works

The drug, called an immunotherapy, doesn't work like a traditional cancer treatment. Blood is drawn from a patient, and some white blood cells vital to the immune system are separated in a lab.

The white blood cells are shipped to the company and incubated with a genetically engineered protein found on prostate cancer cells. The white blood cells are supposed to recognize the protein as an invader and attack the cells that contain it. The revved-up white blood cells are then shipped back and re-infused into the patient.

Dendreon failed to demonstrate in trials that Provenge could slow the cancer's progression, the primary statistical goal of the studies. The company has said that may be because it can take weeks for Provenge to charge up the immune systen

Doctors see a promising combination in Provenge's survival edge and its mild side effects, said Neal Shore, a prostate cancer specialist with Carolina Urologic Research Center in Myrtle Beach, South Carolina.

Another Treatment

The other treatment recently approved for prostate cancer, Taxotere, a chemotherapy drug, improved median survival by 2.4 months, with more harsh side effects than Provenge, Shore said.

``Nothing out there compares to Provenge," he said in a telephone interview March 21. Shore is an investigator on a continuing Dendreon-sponsored study.

Provenge could have U.S. sales of more than $1 billion a year if it's approved by the FDA, said David Miller, president of Biotech Stock Research, an independent equity research firm in Seattle. Miller owns shares.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

Date: Mar 29 2007 15:46:44 Wire: Briefing.com Global Menu (BRF)
DNDN: Dendreon: U.S. Panel - Dendreon data show Provenge cancer treatment is reasonably safe - Reuters (5.20 +0.60) [Update]
Stock is halted.

Date: Mar 29 2007 15:59:42 Wire: BLOOMBERG News (BN) By Luke Timmerman
Dendreon's Cancer Drug Is Safe, U.S. FDA Advisers Say (Update4) - (Adds panel vote on safety in first two paragraphs.)

March 29 (Bloomberg) -- Dendreon Corp.'s prostate cancer drug Provenge is safe, advisers to the U.S. Food and Drug Administration said.

A panel on cell and gene therapy voted 17-0 today in favor of the medicine's safety, and then prepared for a final vote on whether to recommend clearing the drug. One clinical trial showed Provenge could prolong lives and another didn't.

Provenge would be the first treatment to stimulate the immune system against tumor cells and Dendreon's first approved product. It could generate as much as $1 billion a year in U.S. sales, analysts say. The drug, designed to train the body's immune system to fight prostate cancer as if it were a virus, would provide a new treatment for a disease that kills 27,000 men a year in the U.S.

``These data establish the safety and efficacy'' of Provenge, Elizabeth Smith, Dendreon's vice president of regulatory affairs, told the advisory panel meeting in Gaithersburg, Maryland. ``Today's proceedings are a significant step toward changing the landscape of prostate cancer therapy.''

The FDA generally follows the recommendations of its outside advisers, although it isn't required to do so.

One panel member, Howard Scher of Memorial Sloan Kettering Cancer Center in New York, asked the company how it can be confident Provenge would prolong the lives of the 55,000 men with advanced prostate cancer, based on small studies of 225 men.

``If one or two patients shift, suddenly you can lose significance,'' Scher said.

`Less Than Perfect'

The panel must make its decision on ``less than perfect data,'' said Brent Blumenstein, Dendreon's statistical consultant. Dendreon's trials were statistically sound, and showed benefits for all groups of patients, unlike many cancer drugs, he said.

The drug can provide hope for those whose advanced cancer can't be helped by other treatments, said representatives of advocacy groups.

``Men are begging for anything else that can save their life, and their quality of life,'' said Jim Kiefert, a 17-year prostate cancer survivor from Olympia, Washington, and chairman an organization called Us Too.

``Any delay in approving this drug will shorten the lives of tens of thousands of men,'' said David Penson, a urologist at the University of Southern California's Keck School of Medicine and an investigator on a continuing Dendreon-sponsored study. ``If this drug is turned down, it will also set back the field of research into cellular immunotherapy for many, many years.''

Trading in shares of Seattle-based Dendreon was halted today because of the FDA meeting. The shares gained 41 percent in the five days leading up to the panel vote, on volume more than five times the three-month average. Dendreon was the second-biggest gainer in the Nasdaq Biotech Index in that period, behind Biosite Inc., according to data compiled by Bloomberg.

Short Selling

At the same time, many investors have been betting Provenge would fail. About 26 million shares were held in a short position in March, more than twice the number in December, according to data compiled by Bloomberg. People who sell short try to profit by borrowing stock and repurchasing the securities later at a lower price to return to the holder.

The first trial submitted by Dendreon of 127 men showed that patients on Provenge lived a median 25.9 months, compared with 21.4 months for those on a placebo. The second trial, of 98 men, was designed to be identical, the company said. It showed a median survival of 19 months for Provenge patients.

Dendreon Securities Litigation

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`Doubts Remain'

The difference ``might be attributable to chance,'' the FDA staff said in briefing documents posted on the agency's Web site March 27. ``Doubts remain about the persuasiveness of the efficacy data.''

Provenge appeared to be ``generally well-tolerated'' for prostate cancer patients, the FDA staff said. Of the 147 patients on the drug in two pivotal trials, eight had strokes, which is a ``potential safety concern'' the staff said. The most common side effects were fever and chills that lasted one to two days, according to the company.

An ongoing trial of 500 patients, designed to confirm Provenge's survival edge, should produce results in 2010, Smith said in her presentation. Analysts had been expecting the results earlier, in the second half of 2008.

How it Works

The drug, called an immunotherapy, doesn't work like a traditional cancer treatment. Blood is drawn from a patient, and some white blood cells vital to the immune system are separated in a lab.

The white blood cells are shipped to the company and incubated with a genetically engineered protein found on prostate cancer cells. The white blood cells are supposed to recognize the protein as an invader and attack the cells that contain it. The revved-up white blood cells are then shipped back and re-infused into the patient.

Dendreon failed to demonstrate in trials that Provenge could slow the cancer's progression, the primary statistical goal of the studies. The company has said that may be because it can take weeks for Provenge to charge up the immune system.

Doctors see a promising combination in Provenge's survival edge and its mild side effects, said Neal Shore, a prostate cancer specialist with Carolina Urologic Research Center in Myrtle Beach, South Carolina.

Another Treatment

The other treatment recently approved for prostate cancer, Taxotere, a chemotherapy drug, improved median survival by 2.4 months, with more harsh side effects than Provenge, Shore said.

``Nothing out there compares to Provenge,'' he said in a telephone interview March 21. Shore is an investigator on a continuing Dendreon-sponsored study.

Provenge could have U.S. sales of more than $1 billion a year if it's approved by the FDA, said David Miller, president of Biotech Stock Research, an independent equity research firm in Seattle. Miller owns shares.

Date: Mar 29 2007 16:17:12 Wire: Briefing.com Global Menu (BRF)

DNDN: Dendreon provided substantial evidence fo efficacy of Provenge cancer treatment; FDA panel vote in favor of efficacy was 13-4 - Reuters (5.22 +0.00) [Update]

(Stock is halted)

Date: Mar 29 2007 16:18:26 Wire: BLOOMBERG News (BN) By Luke Timmerman

Dendreon's Prostate Cancer Drug Backed by U.S. Advisory Board

March 29 (Bloomberg) -- Dendreon Corp.'s prostate cancer drug Provenge was recommended for approval today by U.S. regulatory advisers who found it safe and ``substantially'' effective.

A panel advising the U.S. Food and Drug Administration voted 17-0 that Provenge is safe, and 13-4 that evidence from clinical trials to date shows it's ``substantially effective.''

The FDA generally follows the recommendations of its advisory panels, although it isn't required to do so.

Trading in shares of Seattle-based Dendreon was halted today because of the FDA meeting. The shares gained 41 percent in the five days leading up to the panel vote, on volume more than five times the three-month average.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

Date: Mar 29 2007 17:22:56 Wire: BLOOMBERG News (BN) By Luke Timmerman

Dendreon's Cancer Drug Backed by Advisers to U.S. FDA (Update2) - (Adds company comment in eighth paragraph.)

March 29 (Bloomberg) -- Dendreon Corp.'s prostate cancer drug Provenge was recommended for U.S. approval as the first treatment to stimulate the body's immune system against tumor cells.

Advisers to the U.S. Food and Drug Administration voted 17-0 today that the medicine is safe and 13-4 that it's ``substantially effective'' based on clinical trials so far.

Provenge would be Dendreon's first approved product and could generate as much as $1 billion a year in U.S. sales, analysts say. The drug, designed to train the body's immune system to fight prostate cancer as if it were a virus, would provide a new treatment for a disease that kills 27,000 men a year in the U.S.

``This is the first demonstration that a vaccine approach can prolong survival,'' said Philip Kantoff, an oncologist at Dana Farber Cancer Institute in Boston, in a telephone interview March 26. ``It will fuel an incredible amount of enthusiasm for investigation of this approach in prostate cancer and other tumors.''

The FDA generally follows the recommendations of its advisory panels, although it isn't required to do so. The agency has set a May 15 deadline to act on the Provenge application, according to Dendreon.

Trading in shares of Seattle-based Dendreon was halted today because of the FDA meeting. The shares gained 41 percent in the five days leading up to today's vote, on volume more than five times the three-month average.

Investors also have been betting that Provenge would fail. About 26 million shares were held in a short position in March, more than twice the number in December, according to data compiled by Bloomberg. People who sell short try to profit by borrowing stock and repurchasing the securities later at a lower price to return to the holder.

Patient Advocates

``What this says to the FDA is that the drug has value to patients,'' said Mitchell Gold, Dendreon's chief executive officer, in an interview after the advisory panel's vote.

Provenge can provide hope for those whose advanced cancer can't be helped by other treatments, representatives of patient advocacy groups told the panel.

``Men are begging for anything else that can save their life, and their quality of life,'' said Jim Kiefert, a 17-year prostate cancer survivor from Olympia, Washington, and chairman
an organization called Us Too.

`Doubts Remain'

The FDA's staff said in a report March 27 that ``doubts remain'' about the drug's effectiveness, and much of the panel's discussion today turned on that question.

One of the FDA advisers, Howard Scher of Memorial Sloan Kettering Cancer Center in New York, asked how Dendreon could be confident Provenge would prolong the lives of the 55,000 men with advanced prostate cancer, based on small studies of 225 men.

``If one or two patients shift, suddenly you can lose significance,'' Scher said.

The panel must make its decision on ``less than perfect data,'' said Brent Blumenstein, Dendreon's statistical consultant. Dendreon's trials were statistically sound, and showed benefits for all groups of patients, unlike many cancer drugs, he said.

Trial Results

The first trial submitted by Dendreon of 127 men showed that patients on Provenge lived a median 25.9 months, compared with 21.4 months for those on a placebo. The second trial, of 98 men, was designed to be identical, the company said. It showed a median survival of 19 months for Provenge patients.

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The other treatment recently approved for prostate cancer, Taxotere, a chemotherapy drug, improved median survival by 2.4 months, with more harsh side effects than Provenge, Shore said.

``Nothing out there compares to Provenge,'' he said in a telephone interview March 21. Shore is an investigator on a continuing Dendreon-sponsored study.

Provenge could have U.S. sales of more than $1 billion a year if it's approved by the FDA, said David Miller, president of Biotech Stock Research, an independent equity research firm in Seattle. Miller owns shares.

Date: Mar 29 2007 17:54:12 Wire: PR Newswire: U.S. (PRN)

Dendreon Announces FDA Advisory Committee Reviewed Provenge(R) for Hormone Refractory Prostate Cancer - Committee Recognizes Substantial Evidence of Efficacy and Safety in this Patient Population - New time for conference call at 6:30 PM E

SEATTLE, March 29 /PRNewswire-FirstCall/ -- Dendreon Corporation (Nasdaq: DNDN) today announced that the U.S. Food and Drug Administration's (FDA) Office of Cellular, Tissue and Gene Therapies Advisory Committee recommended to the FDA that there is substantial evidence of efficacy and safety of PROVENGE (sipuleucel-T) for the treatment of patients with asymptomatic, metastatic, androgen-independent (also known as hormone refractory) prostate cancer. If approved for marketing by the FDA, PROVENGE would become the first active cellular immunotherapy and the first biologic approved to treat prostate cancer. The FDA will now review the advisory committee's recommendations. The Company anticipates a decision on PROVENGE by May 15, 2007.

The Advisory Committee was asked if the submitted data established that sipuleucel-T (APC-8015) is reasonably safe and whether there is substantial evidence that the product is efficacious.

The Advisory Committee voted 17 to 0 in favor of the safety of PROVENGE in response to the question and 13 to 4 in favor of the efficacy question.

"Today marks an important milestone for men with advanced prostate cancer," said Mitchell H. Gold, M.D., president and chief executive officer of Dendreon. "If approved, PROVENGE could become a breakthrough treatment for patients with advanced prostate cancer who currently have few treatment options. We look forward to working closely with the FDA."

Prostate cancer is the most common non-skin cancer in the United States and the third most common cancer worldwide. More than

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

one million men in the United States have prostate cancer, with an estimated 218,890 new cases of prostate cancer diagnosed each year. More than 27,000 men die each year of the disease.
Conference Call Information
Time: 6:30 pm ET / 5:30 pm CT / 4:30 pm MT / 3:30 pm PT
Date: March 29, 2007

Date: Mar 29 2007 17:59:26 Wire: BLOOMBERG News (BN) By Lu Wang
Cognos, Dell, Dendreon, Red Hat, Solectron: U.S. Equity Preview
March 29 (Bloomberg) -- The following is a list of companies whose shares may have unusual price changes in U.S. exchanges tomorrow. This preview includes news that broke after exchanges closed. Stock symbols are in parentheses after company names.
Dendreon Corp. (DNDN US): The company's prostate cancer drug Provenge was recommended for U.S. approval as the first treatment to stimulate the body's immune system against tumor cells.
Advisers to the U.S. Food and Drug Administration voted 17-0
today that the medicine is safe and 13-4 that it is ``substantially effective'' based on clinical trials so far. The stock rose 60 cents, or 13 percent, to $5.22 in regular trading on March 28 before being suspended today.

Date: Mar 29 2007 18:00:23 Wire: Briefing.com Global Menu (BRF)
DNDN: Dendreon Announces FDA Advisory Committee Reviewed Provenge for Hormone Refractory Prostate Cancer (5.22)
[Update]
Co announced that the U.S. Food and Drug Administration's (FDA) Office of Cellular, Tissue and Gene Therapies Advisory Committee recommended to the FDA that there is substantial evidence of efficacy and safety of PROVENGE (sipuleucel-T) for the treatment of patients with asymptomatic, metastatic, androgen-independent (also known as hormone refractory) prostate cancer. If approved for marketing by the FDA, PROVENGE would become the first active cellular immunotherapy and the first biologic approved to treat prostate cancer. The FDA will now review the advisory committee's recommendations. The Company anticipates a decision on PROVENGE by May 15, 2007. The Advisory Committee was asked if the submitted data established that sipuleucel-T (APC-8015) is reasonably safe and whether there is substantial evidence that the product is efficacious. The Advisory Committee voted 17 to 0 in favor of the safety of PROVENGE in response to the question and 13 to 4 in favor of the efficacy question.

Date: Mar 29 2007 19:17:00 Wire: Bloomberg Transcripts (BT)
Dendreon M&A/Other Teleconference DNDN US
Event Date: 03/29/2007
Company Name: Dendreon
Event Description:Provenge(R) (sipuleucel-T) Results Discussion Call
Source: Dendreon
MANAGEMENT DISCUSSION SECTION
Operator
Good day everyone and welcome to the Dendreon Conference Call. Today's conference is being recorded. At this time for opening remarks, I would like to turn the call over to Ms. Monique Greer. Please go ahead, ma'am
Monique Greer, Senior Director, Corporate Communications
Thank you very much. Good evening everyone. We are pleased you could join us for this evening's conference call. With me today are

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

Dr. Mitchell Gold, President and Chief Executive Officer; David Urdal, Senior Vice President and Chief Scientific Officer; and Greg Schiffman, Senior Vice President and Chief Financial Officer.

Before we begin, I would like to remind you that during this call, we will be making forward-looking statements that are subject to risks and uncertainties that may cause actual results to differ from the results discussed in the forward-looking statements. Reference to these risks and uncertainties is made in today's press release and they are disclosed in detail in our most recent 10-K and othe public disclosure filings with the US Securities and Exchange Commission.

I will now turn the call over to Dr. Gold.

Mitchell H. Gold, M.D., President and Chief Executive Officer

Thank you, Monique. Hello everyone and thank you for joining us for this brief conference call following today's Advisory Committee meeting. First off, I would like to thank the CBER [Center for Biologics Evaluation and Research] division of the FDA for the opportunity to present today to the Office of Cellular, Tissue and Gene Therapies Advisory Committee. This is the first active cellular immunotherapy to ever be reviewed by the FDA. The Advisory Committee recommended to the FDA that there is a substantial evidence of efficacy and safety of PROVENGE or sipuleucel-T for the treatment of patients with asymptomatic, metastatic, androgen-independent, also known as hormone refractory prostate cancer.

As you heard today from patients, these men need more therapeutic options in their fight against prostate cancer. The approval of PROVENGE would provide physicians and patients with a well-tolerated treatment option that extends survival.

The FDA will now review the Advisory Committee's recommendations. We look forward to continuing to work closely with the FDA over the coming weeks, and the company anticipates a decision on PROVENGE by May 15, 2007, our PDUFA [Prescription Drug User Fee Act] date.

At this time, I'll turn the call back over to the Operator and we'll open the phones for Q&A.

Q&A

Operator

Thank you. [Operator Instructions]. We'll go first to Charles Duncan with JMP Securities.

< Q - Charles Duncan>: Hey guys, first of all, I'll say congratulations to you and the team.

< A - Mitchell Gold>: Thanks very much, Charles.

< A>: Thanks, Charles.

< Q - Charles Duncan>: I know everyone worked hard on this one and it was not an easy battle. I had a couple of questions with regard to your commercial plans. You believe that you could launch this product in the States and then what about ex-US, would there be a filing with the European authorities?

< A - Mitchell Gold>: Well, I think it's important to put things in the appropriate context, Charles. Our goal, as we've said all along, is to launch this product ourselves in the US marketplace and to seek a commercialization partner outside the US. As I said in my comments, over the next several weeks, we'll be finalizing our discussions with the FDA and we anticipate a decision on PROVENGE by May 15.

< Q - Charles Duncan>: Okay, and then could you give us some additional insights as to how the impact study is going in terms of the patients enrolled now either by number or relative percentage?

< A - Mitchell Gold>: Sure, as year heard from Mark Frohlich in today's Advisory Committee meeting, that study has been a study that has been enrolling very well. I think he mentioned that there are 400 patients already enrolled in that study and we have all the intent of completing enrollment into that study.

< Q - Charles Duncan>: Could you tell me how long it took to get to enroll say roughly 100 patients or so?

< A - Mitchell Gold>: I think you know in any clinical trial, Charles, the enrollment in these studies early on is typically slower than it

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is later in the cycle, so we are clearly on the upper end of the hockey stick, you can say, as far as enrollment goes. Enrollment has been pretty consistent over the last year.

< Q - Charles Duncan>: Okay, and then we are going to be looking at our model tonight in terms of market potential. Could you help us sharpen our pencil with regards to the specific number of patients in the space that have asymptomatic, metastatic, androgen independent prostate cancer?

< A - Mitchell Gold>: Sure, I think you heard the comments from Dr. Logasitis today in that the patients with metastatic, androgen independent, prostate cancer is about 98,600 men. And if you look at those that are in the asymptomatic metastatic setting that are androgen independent, there are about just over 50,000 men in that patient segment.

< Q - Charles Duncan>: Okay, and is that the same roughly in Europe as well as Asia?

< A - Mitchell Gold>: I think the European numbers are not much different and I am not as familiar with the Asian numbers.

< Q - Charles Duncan>: Okay, and then final question with regard to timelines, do you anticipate having to submit any additional information with regard to the validation of your manufacturing processes?

< A - Mitchell Gold>: Sure, one of the things that we did as part of our biologic license application with the FDA, in particular the CMC [Chemistry Manufacturing and Controls] section, was submit a lot of manufacturing data. And as part of that, the FDA came out and we hosted them for a pre-approval inspection at our Hanover, New Jersey facility

< Q - Charles Duncan>: Okay, and those facilities obviously passed the muster or can you give us some more insight?

< A - Gregory Schiffman>: Actually, those are activities that we will be discussing with the agency between now and the PDUFA date, so essentially, we hosted a good inspection, I think, and we have ongoing discussions with them between now and May 15 to finish the review of the CMC section.

< Q - Charles Duncan>: And then, sorry, one more question. I am actually having a little bit of champagne. So I wanted to ask with regard to commercial plans...

< A - Mitchell Gold>: It's good to hear that, Charles, because we haven't had a chance to get any yet.

< Q - Charles Duncan>: Well, I was actually presenting a bunch of companies so I had to at the NewsMakers meeting. With regard to the commercial plans, what number of sales guys do you think are necessary to adequately serve the US market?

< A - Mitchell Gold>: Sure. I think this is something that we have mentioned in the past in our corporate presentations. It is about 98 reps for the US market. But if you look at the sales force as a whole, including the medical science liaisons and other support staff, it is about 125 individuals, which is something that I think is very easily managed by the company going forward in the US market.

< Q - Charles Duncan>: Okay. Again...

< A - Mitchell Gold>: Again, just to remind folks, the market that we are going after are both urology and urologic oncology.

< Q - Charles Duncan>: Fantastic, again, thanks and congrats to the team.

< A - Mitchell Gold>: Thanks, Charles.

Operator

We will go next to David Miller, Biotech Stock Research.

< Q - David Miller>: Hi, good evening and I would like to add my warm congratulations and thanks for everybody on the team there for getting it across the goal line.

< A - Mitchell Gold>: Thank you, David, and thanks for all the good work you have done on the company over the last several years.

< Q - David Miller>: Thanks. The first question I have is what are your thoughts currently about when you are going to pull the trigger on adding some more pods to the Hanover facility.

< A - Mitchell Gold>: Well, I think that is something that is in the works right now. Really over the next several weeks, we are working on completing our discussions with the FDA and anticipate a decision on programs by May 15, 2007.

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< Q - David Miller>: All right.
< A - Mitchell Gold>: And we'll be giving updates on those types of questions in the future.
< Q - David Miller>: Okay, how do you – have you had any – I mean it has only been what, an hour or 2 hours maybe, but have you given any thought about if the FDA says go ahead, start marketing it on May 15, how do you think about how you finish 02B?
< A - Mitchell Gold>: Well as you heard, I think from Liz Smith and Mark Frohlich today, we're committed to completing the 9902B clinical study. And the completion of that study is going to be something that we work on with the FDA over the next several weeks.
< Q - David Miller>: But you're going to have to make some changes, right?
< A - Mitchell Gold>: Not necessarily. I think, again, those are the types of things that we'll be discussing with our group at the FDA over the next several weeks.
< Q - David Miller>: Okay.
< A - Mitchell Gold>: And those discussions may or may not result in certain changes to – as you said, it has only been a couple hours and it's too early to really comment on that.
< Q - David Miller>: Okay, another one you may not have had a lot of chance to think about. But do you think there's a chance for a label 'For Caucasians Only' given the concerns that we heard from the panel today?
< A - Mitchell Gold>: We're committed to continuing to investigate PROVENGE in the African-American community and in the minority population. Those types of things are things that we're going to discuss with the FDA over the next several weeks.
< Q - David Miller>: Okay.
< A - Mitchell Gold>: But I don't think there's anything from a biology perspective with prostate cancer that would suggest that they're dramatically different.
< Q - David Miller>: Okay, the one question I was hoping one of the panelists would ask, but they didn't, is how does your ethnicity breakdown compare like, for example with the TAX 327 or some of the other well-known prostate cancer trials?
< A - Mitchell Gold>: Very similar, so in general, enrolling minorities into clinical trials is always challenging. And it's something that as a whole, biotech companies, pharmaceutical companies, researchers want to continue to enroll minorities in the clinical trial programs, but it has always been a challenge. But it's something that I think, as an industry, we need to work on and improve.
< Q - David Miller>: Okay, I think I'll close out with the last question, you recently filed a shelf and can you talk to us, perhaps Greg, talk to us about how you're thinking about raising money for marketing and things going forward?
< A - Gregory Schiffman>: Again, I think it would probably be preliminary to talk about any specifics. Certainly, as we move forward, assuming that we hear positive response back, we will need some additional funds to build out the remaining capacity in our manufacturing, hire on the staff, but I think to talk about any specifics, we'll cover that after the May 15 date.
< Q - David Miller>: Okay, well like I said, congratulations to everybody on the team and I look forward to seeing you down in the hotel bar in the not too distant future.
< A - Mitchell Gold>: Thanks, David.
Operator
We'll go next to Mark Monane with Needham.
< Q - Mark Monane>: Good day and congratulations, Mitch; congratulations, Dave; congratulations, Greg; congratulations, Liz.
< A - Mitchell Gold>: Thanks, Mark.
< A>: Thanks, Mark.
< Q - Mark Monane>: I've been covering the company longer than everybody has been around except for Dave.
< A - Mitchell Gold>: Bless your heart.
< Q - Mark Monane>: So it's a big day for me.

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< A - Mitchell Gold>: Mark, it's a great day for patients and a great day for all those invested in the field of immunotherapy as a whole.

< A>: Absolutely.

< Q - Mark Monane>: That's what I was going to mention, it's an exciting day for doctors and patients alike and their family members, so very exciting. A couple questions for you, 9902B, interim look, with 400 patients currently enrolled, are you able to give us a little bit more timeline on when you think we might see the interim look? And as I remember you were telling us before tha interim look could potentially have more outcomes than the whole 9901 trial.

Could you help me with those questions?

< A - Mitchell Gold>: I assume, Mark, because I know that you're not in the United States that you didn't have a chance to be at the panel meeting today, but what we said was that we're committed to completing enrollment into 9902B and we'll be discussing exactly how we analyze 9902B as we go forward with the FDA over the next several weeks.

< Q - Mark Monane>: Okay, but you had a very unstable protocol into this right now, built into the [inaudible] schedule and then there were going to be approximately 180 deaths or 100 deaths. Is that correct?

< A - Mitchell Gold>: No, it's not exactly correct. I think what you heard today from Dr. Frohlich is that we've enrolled 400 men into the study. It's designed to enroll 500 men, and the final analysis is planned at 360 death events, which is scheduled to occur in 2010. And exactly how we work with the analytical plan for 9902B is something that we hope to discuss with the FDA over the next several weeks.

< Q - Mark Monane>: I understand, absolutely. Speaking of the next several weeks, can you go over with us again what are the potential options as you understand from the FDA on the PDUFA date in terms of what kind of response you could receive?

< A - Mitchell Gold>: Sure. Look, I'm not going to try to predict exactly what type of response we're going to receive, but I think what we learned today was the opinion of the panel on two separate issues. One was the safety of PROVENGE and the other was the efficacy of PROVENGE, and I think we heard a recommendation from the panel affirmative on both of those key issues.

So the FDA is going to take that information into consideration and that's something that we're going to be discussing with them over the next several weeks, up to our May 15 PDUFA date. It was very clear from the patient community that they're looking for new treatment options to treat this late stage of disease that's very deadly.

< Q - Mark Monane>: I'm sorry, that was a good answer, but I didn't ask the question correctly, I apologize. My understanding of the possible outcomes are: not opposed, approvable, and approved with this Phase IV post-marketing investment. Is that a fair assessment in your opinion of what the potential outcomes are?

< A - Mitchell Gold>: I'm think that those are certainly the three options to take into consideration. One thing I would highlight to you, Mark, today is the panel vote was very much in recognition of the substantial evidence of efficacy that PROVENGE is providing to these men with few treatment options. And we're not going to be in a position of predicting where the FDA is going to come out on that. Obviously, we're very pleased with the recommendation that the panel made to the FDA today.

< Q - Mark Monane>: Yes, that's fair. And last question, in your current state of New Jersey, in lovely Hanover, how many patients – do you expect the facility to be ready to potentially look on your unique cellular immunotherapy if you can get the ball rolling for approval?

< A - Mitchell Gold>: As David Miller said and Charles Duncan earlier, we just finished up our Advisory Committee meeting. We'll be working closely with the FDA over the next several weeks and we'll certainly be happy to give guidance on that in the future after we complete our discussions with the FDA.

< Q - Mark Monane>: Okay, thanks for going over everything and again, congratulations on a big day.

< A - Mitchell Gold>: Thanks, Mark.

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Operator
We'll go next to William Ho, Banc of America.
< Q - William Ho>: Hi guys, thanks for the call. Congratulations.
< A - Mitchell Gold>: Thanks, Will.
< Q - William Ho>: I guess my question is we knew that the CBER panel would be advantageous for – I guess for Dendreon. There seems to be a distinct difference in opinion between some of the panel members who are part of CBER and those who are associated with the ODAC [Oncologic Drugs Advisory Committee]. I'm just wondering if you can elaborate more about the politics behind the FDA and whether or not ODAC might have any influence in the final decision.
< A - Mitchell Gold>: Well, I am not going to comment on any of the differences between the ODAC committee and the Office of Cellular, Tissue and Gene Therapies Advisory Committee. The group that has been reviewing this product since we filed the IND is CBER and the Office of Cellular, Tissue and Gene Therapies and that is the group that we will be working with obviously between now and the May 15 PDUFA date.
< Q - William Ho>: Fair enough, thanks.
< A - Mitchell Gold>: Sure.
Operator
We will go next to Maged Shenouda with UBS.
< Q>: Hey, it is Greg Sivanovich actually. How are you guys?
< A - Mitchell Gold>: Good, Greg. How are you doing?
< Q>: Good. I actually had some – I had a question around the numbers that were discussed on the enrollment and impact. And I think there was a slide that was put up during the presentation today and I know the number of 400 has been thrown around a couple of times and while I didn't capture the exact numbers, it seemed like they were about less than 200 in the PROVENGE treated arm and less than 100 in the placebo treated arm. And I just was wondering if you could confirm whether the number is actually closer to 300 in terms of the enrollment versus 400.
< A - Mitchell Gold>: Yes, I think just to clarify things for you, Greg, the numbers that were put up on a slide for PROVENGE were part of the safety database. Since the safety database has been submitted, as I said earlier, enrollment in PROVENGE has gone very well, so the total enrollment to PROVENGE now that Mark Frohlich commented on in the meeting, it is 400 patients. But that was not put up on a slide. The slide you saw was on the safety database from 02B.
< Q>: So it is still reasonable to expect that in 2008, it should be reasonable to have an interim look at the data?
< A - Mitchell Gold>: We expect – that is something we will be discussing with the FDA, Greg, over the next several weeks. As Liz Smith said in her comments during the meeting, the final analysis is planned at 360 death events and we anticipate that we will get that in 2010.
< Q>: I guess one last question to clarify, I guess, so is there a pre-specified interim look? Or it is just that right now there was – the trial was designed such that final results would be anticipated once you get 360 deaths?
< A - Mitchell Gold>: There was a pre-specified interim look. I think it is important that we discuss the design of 02B and our commitment to completing it with the FDA over the next several weeks.
< Q>: But there was a pre-specified interim look but you are not sharing that with us right now?
< A - Mitchell Gold>: That is correct. I think it is and just to be clear about it, this was something that 02B has been a study that has been enrolling very well. We are going to – we are committed to completing enrollment into the 9902B study. We don't know when the interim look will occur and we want to make sure that that is consistent with the FDA's desire to complete the 9902B clinical study in the right fashion.

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< Q>: Okay, great. Thanks so much.
< A - Mitchell Gold>: Sure.
< A - Gregory Schiffman>: Thanks, Greg.
Operator
Thank you. [Operator Instructions] We will go next to Elliott Savitz with Lazard.
< Q>: This is Elliott Savitz for Joel Sendek.
< A - Mitchell Gold>: Hi, Elliott how are you doing?
< Q>: Good. How are you, Mitch?
< A - Mitchell Gold>: Good.
< Q>: I'm just wondering what the risk is that the PDUFA date decision will be different from the panel meeting today. It seemed like the final vote, they softened up the question and maybe didn't answer the question that the FDA has to answer. So could you just speak to the risk that the decision might be different than the vote today? Thank you.
< A - Mitchell Gold>: Yes, sure. Let me be very clear on that. The way the question was worded, I think the panel initially was having some trouble interpreting that question. It's the FDA that proposed the new language and that language is exactly consistent with the regulations. And the language that was proposed to the panel is if there is substantial evidence of efficacy of PROVENGE in the intended patient population. And the panel voted 13 to 4 in favor that there was a substantial evidence of efficacy in favor of PROVENGE. And that language is exactly from the FDA regulations, so there's nothing unique about that. And that language again was proposed by the FDA itself.
So whether the FDA is going to follow the advisory panel, I think I can give you the classic line that the FDA typically follows the Advisory Committee's recommendation. Obviously we look forward to continuing our discussions and working very closely with the FDA over the next several weeks up to our May 15 PDUFA date.
< Q>: Great, and the 9902B trial, there's a date of 2010. Could you just describe what data will be available in 2010 for that trial?
< A - Mitchell Gold>: Sure, that trial has survival as its primary endpoint. The number of death events that are planned for the final analysis are 360 death events so it would be a survival analysis.
< Q>: So in 2010, would we have three-year data on all patients at that time?
< A - Mitchell Gold>: Yes, it's different than 01 and 02A in that 01 and 02A, the way the protocol was specified, is that we follow all patients for three years after randomization. 02B is based on a certain number of events, not a time period occurring.
< Q>: Okay.
< A - Mitchell Gold>: And we based that off the [inaudible] that we learned from 01 and 02A.
< Q>: Okay, thank you.
< A - Mitchell Gold>: Sure.
Operator
We'll go next to Paul Latta with McAdams Wright Ragen.
< Q - Paul Latta>: Good afternoon. Congratulations, Mitch, a great accomplishment for you and your team.
< A - Mitchell Gold>: Thanks very much, Paul.
< Q - Paul Latta>: A couple of questions, first a soft one here but you had the FDA meeting being some 8-plus hours long. Could you give your own interpretation for what you thought was the key factor that got you over the goal line?
< A - Mitchell Gold>: Well first of all, let me just compliment my team because I just think my team – we prepared tirelessly for this meeting. We took this meeting very seriously and I think they just did a bang-up job of presenting the product. They believed in it viciously and I think that showed in their presentations and their answering to Q&A today.

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And it's very clear that they have a deep understanding of this product both from a clinical perspective and product perspective. So I think first and foremost, I think they did a great job and almost all the credit should go to them for really making this happen.
I think the key event today – I don't think there's one key event, Paul. I think the survival data clearly held a lot of weight with the panel, survival obviously being the most reliable endpoint in oncology studies. I think that the comments from a lot of the patients and the patient advocacy groups were incredibly heartening, very compelling stories that I think really impacted a lot of people in the room, particularly me. And I think that you had a panel that was well versed in cancer immunotherapies and understood the product that was in front of them.
< Q - Paul Latta>: Okay, as you're working through meetings with the FDA over the next few weeks here, can we look forward to another conference call then when we get some results on that front? And I guess on a related question, perhaps we could get some guidance on perhaps cash burn and some of the financials and whatnot. Is that the plan?
< A - Mitchell Gold>: Yes we'll plan on giving updates to the investment community as we learn more information going forward and whether that's on our Q1 conference call or sooner, we'll let you know.
< Q - Paul Latta>: The PDUFA date May 15, I know that that is an on or before date, so there is a possibility that we may get information before then, and I think there have even been a couple of cases that come out afterwards, but where should look for information? Should we just be watching for press releases or watching FDA.gov? What is the easiest way to stay in touch with the process?
< A - Mitchell Gold>: I think the company has always taken it very much to heart that we want to keep the investment community up to speed and up to date on the information so as we learn more from the FDA and our discussions with them, we will let you know. I think probably the company is the best to look at that.
< Q - Paul Latta>: Okay, great. Congratulations again.
< A - Mitchell Gold>: Thanks very much Paul.
Operator
And our final question will go to Joel Sendek with Lazard.
< Q - Joel Sendek>: Thanks, I am actually on the call a bit late. I apologize if you answered the question. Can you talk about how you would interpret the two different questions that the panel was asked to address, the efficacy question and how you would discern the difference between the two of them?
< A - Mitchell Gold>: Sure. I don't know, Joel, if you heard, but Elliott was on the phone earlier from Lazard.
< Q - Joel Sendek>: Yes, I heard the tail end of his. I don't know if he asked that question though.
< A - Mitchell Gold>: Okay, so there were two questions asked to the panel today. The first was on the safety of PROVENGE and the vote there was 17-0 in favor. The second question was on the efficacy related to PROVENGE and I think the question that was asked of the panel there was is there substantial evidence of efficacy in the intended patient population, and the vote there was 13 to 4 I think any confusion that may have resulted on the second question was there was some difficulty in interpreting the question early on and the FDA I think modified that question to be consistent with the current regulations and the current regulations basically say that PROVENGE showed substantial evidence of efficacy. That was the question that was put forth to the panel and that was the question that received a 13 to 4 vote in favor.
< Q - Joel Sendek>: Okay, and then just a follow up to that. So you think that is the right question that the FDA has to answer in order to make the approval decision?
< A - Mitchell Gold>: Right. That is the question that the FDA actually posed. You were in the audience today; I think you sat ahead of me. That is the question that the FDA actually posed to the Advisory Committee members today.
< Q - Joel Sendek>: But might that be a different question than they actually asked when they are making the final decision?

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					< A - Mitchell Gold>: I don't know why they would ask a different question than that but the FDA takes the Advisory Committee's recommendation into account. They are not required to follow the advice of the outside Advisory Committee, although as you know, they often do. < Q - Joel Sendek>: Okay, and then maybe a somewhat different question. Is there any median -- any interim look at all into study 3? < A - Mitchell Gold>: There is an interim look planned for study 3 as I said in an earlier question, you might not have heard that one. That is something we are going to be working on with the FDA over the coming weeks. < Q - Joel Sendek>: Okay, sorry to repeat the questions. Thanks a lot. < A - Mitchell Gold>: Sure. Operator Ladies and gentlemen, this concludes today's question-and-answer session. I would like to turn the conference back to Dr. Gold for any additional or closing remarks. Mitchell H. Gold, M.D., President and Chief Executive Officer Thank you. Thank you all for your continued support. Today was a historic day. It was a historic day for prostate cancer patients. It was a historic day certainly for the company and it was a historic day for the whole field of immunotherapy and we are really, really very pleased with the outcome of today's meeting and I think everyone around this table is very pleased with how our team performed today. I know many of you have supported us over several, several years of work and we really could not have gotten here without your support and I thank you for that. I look forward to staying in touch with many of you over the coming days and have a great night. Operator Ladies and gentlemen this concludes today's conference we appreciate your participation. You may disconnect your phone lines.
3/30/2007	92,584,293	$12.93	147.70%	63.73	*Date: Mar 30 2007 0:23:56 Wire: Briefing.com Global Menu (BRF)* **Guests scheduled to appear on CNBC** Mitchell Gold, Chief Executive Officer of Dendreon (DNDN), is scheduled to appear on Squawk Box at approx 6:30 AM ET. *Date: Mar 30 2007 8:08:25 Wire: TheFlyontheWall.com (FLY)* **Dendreon Corp-DNDN: Technical Alert: Price Target Raised [MORE]** JMP Securities took up their price target on the shares to $20 from $12 on a favorable CBER panel vote on Provenge safety and efficacy. The shares were very active yesterday on extreme volume. Given the bump in target price we are likely to see a gap with plenty of price swings during the day. The shares closed yesterday directly on the multi-year downtrend resistance line at $5.22. Next resistance levels are at $5.56, $5.67, $5.77, $5.89, $5.98. It is possible all of these will be gapped away at the open. Major overhead resistance is at the 200-week MA at $7.09. If shares should jump that level the following would become additional upside objectives: 7.14, $7.32, $7.52, $7.73, $7.94, $8.11. Support is at $4.85, $4.35 (50-day MA, very bearish if broken). *Date: Mar 30 2007 7:42:06 Wire: Briefing.com Global Menu (BRF)* **Briefing.com: Live Upgrades/Downgrades** COVERAGE REIT/PRICE TGT CHANGED* Company Brokerage Firm Ratings Change Target Dendreon (DNDN) JMP Securities Strong Buy $12 >> $20

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Date: Mar 30 2007 8:13:45 Wire: TheFlyontheWall.com (FLY)
Dendreon Corp-DNDN: Technical Alert: Update: Cancel Prior Note
The price reaction pre-market is rather astonishing to say the least with shares up to $18.65. Our prior note was written before pre-market trading began. In light of the reaction the prior note is canceled and we will have to wait until the open to make sense of the action.

March 30, 2007 JMP Securities - Charles C. Duncan, Felicia Miller
Dendreon Corporation (1) - CBER Panel Votes in Favor of Provenge's Safety and Efficacy; Raising PT to $20
Investment Highlights
CBER panel votes in favor of Dendreon's Provenge on safety and efficacy; reiterate Strong Buy and increasing price target from $12 to $20. Yesterday, the Cellular, Tissue, and Gene Therapies Advisory Committee organized by Center for Biologics Evaluation and Research (CBER) strongly voted in favor for the safety and efficacy data in Provenge's BLA for the treatment of latestage prostate cancer. The panel voted unanimously that the data showed Provenge to be a safe drug. Additionally, the panel voted 13 to 4 in favor of the data establishing substantial evidence of efficacy. However, all of the panelists commented that results from the ongoing IMPACT trial would be necessary to confirm the drug's survival benefit. Based on the favorable vote and panelist remarks, we continue to believe that the FDA will grant Provenge an approvable letter and will require data from the interim analysis from the ongoing SPA-backed IMPACT study which we expect in mid-08. However, given the company's stated intent to complete this study and its current late stage of patient enrollment, we now assign a higher probability to an out-right approval (50%, previously ~25%) and assign the remaining 50% probability to an approvable letter (previously estimated ~70%). In addition, we believe the panel vote and commentary to clearly signal robust physician interest in this novel treatment. Therefore, we now anticipate faster and perhaps broader adoption than previously modeled, driving greater potential revenue ($1 billion) at peak. We are fine-tuning our revenue assumptions as a result, ramping our estimates in FY08- FY10, while also sliding our FY07 estimates into FY08. Our FY07 net loss per share increases from $0.49 to $1.15 per share, but our out-year EPS increases significantly (see details in note) with our valuation year (FY10) now being $1.27 (old $0.84). Using our previously published valuation methodology for DNDN shares (25x 2010 EPS discounted at 25% annually), we are increasing our 12-month price target from $12 to $20.
· Expect pre-specified interim analysis from IMPACT by mid-08. The IMPACT trial currently has ~400 patients enrolled, and accrual is targeted at 500 patients (expected by mid-07). While the company has yet to disclose the details of the interim analysis, we expect it will be triggered by about one-third (120 deaths) of the events of the final analysis (360 deaths). Based on the final data expected in 2010, survival assumptions in metastatic, hormone-refractory prostate cancer (HRPC) patients, and a slow enrollment in the first two years of the trial, we expect the interim analysis to occur about a year from now, as previously published.
Panel enthusiasm signals greater market potential. In the US, there are about 100,000 metastatic HRPC patients with about 50,000 being asymptomatic. We had previously based our revenue assumptions on this population of patients. However, after the high level of patient advocacy involvement in the advisory committee and strong support from the panel members, we believe once the drug is approved, penetration into this population could be achieved more rapidly than we anticipated. In addition, we anticipate positive experience with Provenge in later stage patients could translate into off-label use in earlier stages of disease, which represents a larger market opportunity with about 200,000 newly diagnosed prostate cancer patients per year in the US. Based on these assumptions, we believe the commercial opportunity of Provenge could be on the order of $1 billion by 2012 compared to our previous estimate of $500 million. Specifically, we now assume an annual treatment cost of $30,000, with a 45% penetration of the pool of 50,000 asymptomatic patients, with use of this expected label to present upside potential.

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· Increasing revenue estimates and raising price target from $12 to $20. Based on the high visibility we believe Provenge has attained in the patient advocacy and urology communities, we anticipate robust adoption in the HRPC population once the drug comes to market in 2H08. As such, we are sliding our previous FY07 revenues into FY08 and increasing our penetration rates for FY09 and FY10. Our revenues for FY08-FY10 increase from $225 million, $429 million, and $510 million to $301 million, $510 million, and $690 million, respectively. Our EPS estimates from FY08- FY10 increase from $0.31, $0.69, and $0.84 to $0.56, $0.90, and $1.27, respectively. Employing our previously published valuation methodology for DNDN shares (25x 2010 EPS discounted at 25% each year) and applying it to our new FY10 EPS of $1.27, we derive our new 12-month price target of $20.

Investment Risks

Given Dendreon is still in the development stage with no approved products, the risks to an investment in the stock include uncertainty regarding whether its product pipeline can progress into later-stage trials and eventually receive marketing approval from the regulatory agencies. In addition, the company faces financial risk based on the fact that it is currently unprofitable and our expectation is that it will remain unprofitable for the next few years.

March 30, 2007 Brean Murray, Carret & Co. - Jonathan Aschoff, Ph.D

FDA Changes Efficacy Question Midstream; CBER Panel Recommends PROVENGE Approval, but We Believe FDA Still Issues Approvable Letter

Investment Summary

* CBER panel votes 13-4 on efficacy of PROVENGE. Surprisingly, today's CBER panel chair changed the predefined voting question of efficacy during the voting process. The original question was phrased, "Does the submitted data establish the efficacy of sipuleucel-T (APC-8015) in the intended population?" After three consecutive negative votes by members of the panel, the chair of the panel, Dr. Mulé, then stopped the voting and rephrased the "establish" part of the question to a softer, "substantial but not conclusive." After rephrasing the question, the panel voted in favor of PROVENGE efficacy. The panel chair's behavior is a perfect example of why things are prospectively defined in clinical trials that are to be believed. Fitting a post-hoc question to a desired answer is no better than fitting post-hoc statistics to a desired clinical result.

* Reiterate belief that PROVENGE BLA data does not support FDA approval. We cannot ignore the fact that the first two Phase 3 trials failed their primary endpoints and instead used a secondary, post hoc, median survival endpoint, encompassing time during which postprogression treatment was highly variable. We think this is highly confounding to the analysis and was in part created by the 75% of placebo patients who crossed over to PROVENGE upon disease progression. Additional information released by Dendreon in October for PROVENGE (D9901 and D9902A exploratory studies) is superficial data-dredging, in our view, and therefore does not influence our position.

The PROTECT trial results to this point do not add significantly to our PROVENGE opinion, given its focus on biochemical and immunological markers and the lack of any statistical significance in the metastasis primary endpoint..

* FDA likely to issue Approvable Letter, in our opinion. We maintain our belief that Dendreon is banking more on the dire need for safer prostate cancer therapies given the large and growing incidence of the disease and less on the merits of its trials' results. We expect today to see a transient spike in share price (due in part to forced covering that can happen when individual positions get significantly too large) that trends lower into the FDA's decision on or before May 15. We believe that the FDA will ultimately award Dendreon an Approvable Letter, contingent on the D9902B trial results (interim results expected in 2H08, final results in 2010). We anticipate D9902B failure, given that it is a more robust trial.

Discussion

* Approvable Letter would likely result in dilutive financing. Given the atypical panel result, we believe raising capital in front of an

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FDA decision only about 45 days from now is essentially asking for legal problems, and therefore Dendreon's ability to raise capital at a favorable valuation still hinges upon outright FDA approval. If there ever is primary endpoint success for PROVENGE, it may not occur until 2010, when the D9902B trial is projected to achieve its predefined evaluation point of 360 deaths. Waiting until 2010 would require raising significantly more than $100 million in cash, by our estimates, which do not even factor in significant pre-launch expenses.

* Cannot ignore post-hoc analysis effect on survival efficacy claims. In a CBER clinical briefing document released earlier this week, reviewers highlighted concerns over the post-hoc analysis used to determine survival. Only one trial, D9901, demonstrated a statistically significant increase in survival; D9902A demonstrated a six-month difference in survival versus D9901, suggesting irregularities in trial protocol such as chemotherapy use post-progression in the D9901 trial. Lack of survival as a predefined primary endpoint resulted in a trial design that, in our view, rendered an estimation of survival very difficult to conclude. Differentials in chemotherapy use take more forms than only time to initiation or percent of patients using.

* Panel apparently not concerned about cerebrovascular accidents (CVAs). CVAs appeared to occur more frequently in PROVENGE-treated subjects; 8 of 147 (5.4%) PROVENGE treated patients experienced CVA-related SAEs, compared to 0 in placebo-treated patients in D9901 and D9902A combined. In the ongoing D9902B trial, 5 of 198 (2.5%) PROVENGEtreated subjects developed a CVA compared to 1 of 96 (1.0%) placebo-treated subjects. However, the panel was not really concerned at all with any safety issues in the end.

* Valuation. We reiterate our Sell rating and target price of $1.50, which is based on our lack of faith in PROVENGE approval and our calculated cash per share estimate for 2Q07.

* Risks. Risks applicable to DNDN not achieving our $1.50 target price include: (1) successful product development; (2) successful business development; (3) successfully competing; and (4) market risk involving positive share-price trends in the biotech sector in general.

3.30.2007 McAdams Wright Ragen - Paul C. Latta, CFA

Dendreon Corporation (DNDN) - Eureka! FDA Panel Sides with Dendreon $5.22 | HOLD

* Dendreon received a positive endorsement from a key FDA Advisory Committee, substantially improving the probability of an FDA approval of their lead drug Provenge by the May 15th PDUFA date deadline.

* The Advisory Committee voted 17 to 0 in favor of the safety of Provenge, and 13 to 4 in favor of the efficacy of Provenge.

* It remains uncertain whether the FDA will want to see results of the ongoing IMPACT study, due to be completed in 2010, before granting approval.

* We expect the stock to be quite volatile in the near-term, with a clear bias to the upside. We are retaining our hold rating.

Dendreon got two thumbs up from a key FDA panel yesterday. The important endorsement improves the likelihood of a near term FDA approval and market introduction of the company’s prostate cancer therapy and lead drug candidate Provenge

The panel meeting, an all day affair, took place before the FDA’s Cellular, Tissue and Gene Therapies (CTGT) Advisory Committee. The agenda included a company presentation, FDA perspective, an open public hearing, and a question and answer session for the members of the Advisory Committee. The Advisory Committee was then asked to vote if the submitted data established that Provenge was reasonably safe and efficacious for the intended population. The Advisory Committee voted 17 to 0 in favor of the safety of Provenge, and 13 to 4 in favor of the efficacy of Provenge.

The endorsement comes as a pleasant surprise. In our last note, we discussed the fact that many investors appeared to be in the camp that the drug would be neither approved nor rejected, but would instead receive an “approvable” designation, subject to the completion of additional tests (e.g. the IMPACT study). This would have suggested more of a split panel result, especially for the

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					efficacy vote (the safety of Provenge has much less contentious amongst most investors). Hence, relative to expectations, the favorable panel ruling was good news indeed. Now that the CTGT panel has weighed in with their opinions, the ball is in the FDA's court. A formal decision from the FDA is due on or before the PDUFA date of May 15th. While prior to the panel decision, we viewed the probability of an FDA approval/approvable/rejection as roughly 40/50/10, we now view these probabilities as 60/40/0. We would note that an outright approval, while generally the most favorable of the possible outcomes, may include some short-term handcuffs such as a narrow initial label limiting use to only specific patient populations, as well as potentially onerous Phase 4 testing requirements. In the event of an approvable ruling, we suspect the FDA will want to see the results from the ongoing IMPACT study. Enrollment in the IMPACT study continues to move forward and has now reached approximately 400 men, very near the 500 patient target. The company is committed to completing the enrollment in the IMPACT study. However, final analysis is planned at 360 death events, which is presently scheduled for 2010, an awfully long time to wait in the event that an approvable ruling is contingent on IMPACT completion. The company has noted that it plans to work with the FDA in coming weeks to determine an analytical plan for the IMPACT study (as well as address other issues such as manufacturing). While an interim analysis is likely, perhaps in the 2008 time frame, we would not be surprised to see a protocol adjustment to the IMPACT study as we near the May 15th PDUFA date. With the increased probability of a near term approval, many investors have started to inquire about the company's sales organization. Dendreon remains committed to introducing Provenge in the US, whilst seeking a partner for outside the US. The Company also reiterated its plan for approximately 125 people to staff the sales organization (including about 98 sales representatives, plus medical liaisons and support staff) aimed at both urology and urologic oncology. In view of the imminent and important upcoming FDA decision, the company remains understandably quiet about financial guidance for 2007. We expect more clarity after the May 15th PDUFA date, when the regulatory pathway becomes less uncertain. Dendreon filed a mixed securities shelf offering two weeks ago in the amount of $200 million. Cash and equivalents at the end of the last quarter amounted to $121.3 million, up from the Q3 level of $92.6 million as a result of a 9.9 million share directed stock placement, but well down from the salad days of early 2004 when cash levels exceeded $250 million. While the company has not yet provided any cash burn guidance for 2007 in view of the imminent FDA decision, we suspect the burn level in 2007 will be at least $70 million, perhaps higher in the event of a more imminent Provenge rollout. Hence, the company is not exactly flush with cash. While we are generally not fans of additional stock offerings, we would view any sharp and material rise in the stock price resulting from yesterday's FDA panel decision as a good opportunity to refill the treasury to the benefit of long term shareholders (even though it may rain a bit on the parade of some shorter-term shareholders). We suspect the stock may be somewhat volatile in the coming days in view of the surprisingly strong FDA panel endorsement combined with a large short position (notwithstanding the usual challenges associated with valuing an early stage biotech). As of the mid-March NASDAQ report date, Dendreon had an amazing 26.6 million shares sold short, nearly a third of the company's 81.6 million shares outstanding. This would suggest a high probability of a short squeeze. Our previous fair value estimate of $6 was based on a probability weighted average of three different valuation scenarios (approved, approvable, and rejected). In view of the improved prospects for an outright approval as discussed above, we believe fair value for the stock is now meaningfully higher, perhaps into the double digits. We are retaining our Hold rating on the stock although we would consider being buyers (or sellers) of the stock if the stock price were to remain below $8 (or above $15) for any length of time.

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March 30, 2007 Needham - Mark Monane, Richard Yeh

Dendreon Corporation (DNDN): PROVENGE Received Positive Recommendation By FDA Advisory Committee; PDUFA Date By May 15; Reiterating BUY Rating and Raising TP to $22

Yesterday, FDA's Cellular, Tissue and Gene Therapies Advisory Committee held a panel meeting and voted 13-4 on efficacy and 17-0 on safety in favor of PROVENGE in patients with asymptomatic, metastatic HRPC. Recall that Dendreon's BLA submission is based largely on the D9901 Phase 3 trial that tested PROVENGE in 127 patients, which the study demonstrated a 4.5 month survival difference. In addition, a 41 percent overall reduction in the risk of death was also seen. Although the agency is not bound to follow the panel's recommendation, we believe that it is increasingly likely that the drug will be approved by the FDA on or around the PDUFA date of May 15. We believe that this regulatory event is the key upcoming news flow, and DNDN stock is priced conservatively at this time: an approvAL rather than approvABLE will likely provide an upside to the stock. We reiterate our Buy rating and raise our target price to $22 (was $12) based on increased chance of FDA approval.

* We expect the FDA to reach a regulatory decision by the May 15 PDUFA date. While panel members may still consider a large study (such as D9902B) is necessary to adequately address PROVENGE's efficacy profile, given the FDA panel's favorable vote on PROVENGE, we believe that it is increasingly likely that FDA may approve PROVENGE with a Phase 4 post marketing commitment (although we think that approvable is still a possible outcome). In terms of the product manufacturing, at the conference call, management noted that the CMC review is moving along.

* We believe that the market potential for asymptomatic, metastatic HRPC is substantial (~55K patients in U.S). With few approved drugs in this disease setting, and a favorable safety profile, we believe that PROVENGE may capture a significant market share, and the drug may potentially reach peak US sales of >$750 MM.

* We expect DNDN stock to be volatile pending the FDA decision. We expect the DNDN news to positively impact other cancer vaccine/active immunotherapy companies in our coverage universe, particularly CEGE and FVRL. We also note increasing big pharma interest in this area, as noted by the Oxford BioMedica (LSE:OXB, NR) and sanofi-aventis $650MM cancer vaccine deal announced earlier this week. We believe that cancer vaccine/active immunotherapy's day may be finally arriving.

NEWSWORTHY EVENTS EXPECTED WITHIN THE NEXT 3-6 MONTHS

- Await PDUFA date for completion of PROVENGE BLA review (May 15, 2007);
- Report interim look of D9902B Phase 3 PROVENGE trial (2H07);
- Complete enrollment of D9902B Phase 3 PROVENGE trial (YE07); and
- Seek ex-US corporate partnership for PROVENGE (ongoing).

PROVENGE Was Backed by the FDA Advisory Committee

Yesterday, FDA's Cellular, Tissue and Gene Therapies Advisory Committee held a panel meeting and voted 13:4 on efficacy and 17:0 on safety in favor of PROVENGE in patients with asymptomatic, metastatic hormone refractory prostate cancer (HRPC). We expect FDA to reach a regulatory decision by May 15 PDUFA date. While panel members may still consider a large study (such as D9902B) is necessary to adequately address PROVENGE's efficacy profile, given the FDA's favorable vote on PROVENGE, we believe that it is increasingly likely that FDA may approve PROVENGE with a Phase 4 post marketing commitment (although we think that approvable is still a possible outcome).

Efficacy Profile of PROVENGE Dominated the Panel Discussion

While few safety questions were raised by the committee members, much of the panel discussion centered on the efficacy of PROVENGE and the two Phase 3 clinical studies, namely D9901 and D9902A.

Recall that PROVENGE's BLA's submission is largely based on the D9901 Phase 3 trial that tested PROVENGE in 127 men with asymptomatic, metastatic, HRPC.

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The Phase 3 D9901 demonstrated a median overall survival of 25.9 months in the PROVENGE arm compared with 21.4 months in the placebo arm, or a 4.5 month survival difference. While the D9901 trial missed the primary endpoint (TTP) in the intent-to-treat population, p=0.06), it demonstrated impressive results across a variety of clinical and immunological endpoints including TTP, time to onset of cancer-related bone pain, and survival in the pre-specified subgroup of Gleason < 7 prostate cancer patients. Further, the study also showed that for patients that received PROVENGE, data showed a 41% reduction in the risk of death. The D9902A study was a double-blind, placebo-controlled Phase 3 trial in patients with asymptomatic metastatic androgen-independent prostate cancer (AIPC). The D9902A study included 98 patients and the enrollment was stopped in 2002 following the analysis that the overall group did not reach primary endpoint of time to progression (TTP), however, a survival analysis based on the intent-to-treat (ITT) population suggested the median survival time was 19.0 months for patients treated with PROVENGE vs 15.7 months for patients received placebo, with a p value of 0.332 (log-rank; unadjusted HR = 1.27 [95%CI: 0.78, 2.07]).

As expected, several questions surrounding the true efficacy of D9901 were raised at the panel meeting, these questions include 1) small patient size of the D9901 trial; 2) a noted small imbalance in the patient demographic in the D9901 trial and 3) post hoc analysis of the survival data in the D9901 trial. With both D9901 and D9902A failed their primary endpoints of TTP and D9902A also missed the secondary endpoint of overall survival, several committee members, including Dr. Maha Hussain, M.D, Professor of Medicine and Urology at the University of Michigan pointed out that a larger trial with 500-700 patient is needed to more adequately address PROVENGE's efficacy profile.

The panel members also noted that although a small imbalance in patient demographics could potentially bias study outcomes in small trials, the small difference in Gleason scores observed is not statistically significant. Further, in the D9901 study, these three prognostic factors are not equally divided and slightly favor the placebo group.

Most of the panel members agreed that in large, patients were adequately distributed between the two arms, despite the post hoc analysis of the survival data, the survival benefit demonstrated in D9901 trial is likely relevant to PROVENGE's treatment effect.

Some discussions focused on the potency testing for PROVENGE. It appears that healthy donor cells mimic clinical results for CD54 expression and up-regulation. Specifically, CD54 expression and up-regulation appear to be surrogates for PAP specific antigen presentation and may correlate with survival. Although this argument is not conclusive at the panel meeting, CD54 upregulation will measured on antigen presenting cells (APCs) as part of the PROVENGE product release testing prior to administration to patients.

Panel Appeared To Be Comfortable with PROVENGE 's Safety Profile The panel members in large agreed that PROVENGE is safe and well tolerated, In total, approximately 478 patients received approximately 1387 infusions of PROVENGE. The most common side effects associated with PROVENGE include adverse events associated the treatment and the infusion, these adverse events include chills, fatigue, fever, headache, and nausea, all of which are manageable.

There is no Grade 3 or 4 adverse effects in more than 5% of patients in all arms. Although review of the cerebrovasuclar event data in both D9901 and D9902A studies revealed a possible increased risk in patients treated with PROVENGE, cerebrovascular accident seemed to be comparable to the incident rate seen in patients with advanced prostate cancer based on an analysis of five-year survival data from the SEER linked database. Although most of the panel members did not seem to be overly concerned about the rate of the cerebrovascular events, several panel memebers pointed out that the safety issue is worth noting and further surveillance is needed in the future studies.

D9902B Trial Ultimately Needed to Address the Efficacy Issue

Currently, Phase 3 trial (D9902B) for asymptomatic metastatic HRPC patients is recruiting patients. In November 2005, Dendreon announced that the FDA had approved the amendment to the Special Protocol Assessment (SPA) for the Phase 3 D9902B trial. With the amended SPA, 500 patients with all Gleason scores will be eligible for enrollment in the D9902B trial, as will patients with minimally symptomatic pain. The primary endpoint of the trial is overall survival while time to tumor progression (TTP) is the

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secondary endpoint. Final analysis will be triggered by the occurrence of 360 events. As with the D9901 and D9902A trials, the Cox multivariate regression model will be employed for data analysis. To date the 400 patients are enrolled in the study, and we expect an interim analysis of the study in 2H07.

Manufacturing and Commercialization Plans

In August 2005, DNDN leased a large commercial manufacturing facility in Hanover, New Jersey. In 2006 Dendreon filled two key posts at its new manufacturing facility in East Hanover, NJ. In March 2006, Dendreon named industry veteran Ernest Bognar general manager and in February 2006, the Company named Mary Coon the vice president of quality. In July 2006, the Company announced the completion of the initial build-out of its New Jersey manufacturing facility, which will be used in support of the product launch of PROVENGE in the U.S. At the conference call, management noted that the CMC review is moving along. In terms of the commercialization plan, DNDN plans to launch the drug in the U.S. by building a 125-person commercial force, including approximately 98 sales reps.

RECENT AND EXPECTED UPCOMING EVENTS:

PROVENGE (SIPULEUCEL-T)

* Report full D9902A dataset presentation at the ECCO Meeting in Paris (October 31, 2005);
* Complete construction of NJ manufacturing facility (mid06);
* Publish D9901 Phase 3 results in a peer reviewed journal;
* Report top-line data on Phase 3 P-11 trial in AIPC (4Q06);
* Report additional data from Phase 3 trial of PROVENGE D9901 study at upcoming medical meeting (4Q06)
* Submit BLA application of PROVENGE to the FDA on rolling basis (3Q06) and complete the submission of the BLA (4Q06) ;
* Received Fast Track Status from FDA for PROVENGE BLA application (May 15, 2007 PDUFA date)
- Await PDUFA date for completion of PROVENGE BLA review (May 15, 2007);
- Report interim look of D9902B Phase 3 PROVENGE trial (2H07);
- Complete enrollment of 9902B trial (YE07); and
- Seek ex-US corporate partnership for PROVENGE (ongoing). APC 8024 (LAPULEUCEL-T)
- Initiate Phase 2 trial for APC8024 in breast or other Her2/neu-relatedcancer (2007).

TRP-8

* Report Trp-8 preclinical data at the Ion Channel Target Conference in Boston, MA (September 2005);
- Select lead clinical candidates from the Trp-p8 program (1H07);
- Seek partnership for Trp-p8 program (ongoing).

FINANCIAL and VALUATION ANALYSES

DNDN ended 3Q06 with approximately $87MM in cash and cash equivalents. In November 2006, Dendreon raised ~$45 MM from the sale of 9.89 M shares of common stock directly to select institutional investors. Based on the current burn rate, we estimate that the company's 2006 operating expenses should be approximately $97MM (with a net burn rate of $91MM). We expect that Dendreon's current cash levels to last into 2008.

Our target price of $22 is based on a valuation matrix that involves two scenarios with different timelines for the regulatory approval of PROVENGE:

Scenario 1 - The PROVENGE BLA is based on the D9901 and supportive data from D9902A;

Scenario 2 – The PROVENGE BLA is based on the ongoing D9902B trial with survival endpoint

As shown in the table below, we then assign probability to the above threescenarios to derive our new target price.

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March 30, 2007 Next Generation Equity Research - Liisa Bayko
Dendreon (DNDN) - FDA gives nod of approval to first immunotherapy, Provenge. Raising price target to $15 and rating to NEUTRAL.
Event
* Yesterday, an FDA advisory committee met to discuss the viability of Provenge as a treatment for men with asymptomatic, androgen independent prostate cancer. The committee voted 13-4 in favor of sufficient efficacy and 17-0 in favor of sufficient safety for approval. We had anticipated a less favorable efficacy outcome given the mixed data generated by the phase 3 clinical program and believe that favorable political conditions may have been beneficial for Provenge.
* While a final decision will be made by FDA by May 15, 2007, we believe this positive outcome of the advisory committee will likely result in a full approval by FDA. We had previously expected an approvable letter to be issued; pending additional data from the ongoing IMPACT phase 3 studies .
* We believe the company will likely raise capital in the coming months to support the pote ntial launch of Provenge in the U.S. We anticipate that the company will likely hire about 125 sales and marketing staff by mid year.
* On the conference call, management reiterated that they are searching for a partner to market the immunotherapy on an ex-U.S. basis.
* Given these positive events, our outlook for shares of Dendreon has changed. We are raising our 12-month price target to $15 and our rating to NEUTRAL.
* Our estimates for 2007 and 2008 go to ($1.30) and ($1.03) from ($1.61) and ($0.81).
Key Risks
* Negative FDA action on or before May 15, 2007 could negatively impact the stock.
* Clinical outcomes of key ongoing IMPACT trial could fail to demonstrate a benefit of Provenge or could give rise to new safety concerns .
* The commercial results for Provenge could miss expectations .
Near-Term Outlook
* We anticipate that FDA will grant Dendreon approval for Provenge.
Long-Term Outlook
* We anticipate that Dendreon will find a partner to market Provenge in regions outside the U.S. We anticipate that Dendreon will resume development of immunotherapy for other indications. We project that the company will turn profitable in 2010.
Valuation and Recommendation
* Our $15.00 12-month price target is based on a 50 multiple applied to our 2011 earnings estimate discounted at a rate of 35%. This represents about the average multiple afforded to emerging biotech firms, discounted to reflect the degree of risk associated with the potential approval of Provenge. We have a Neutral rating on shares on Dendreon.

Date: Mar 30 2007 9:41:29 Wire: TheFlyontheWall.com (FLY)
Dendreon Corp-DNDN: Technical Alert: Levels: Update [MORE]
Given the speed of price changes in both directions and the size of the gap, pinning levels is going to be a very tough proposition. For the moment there is some stability near the $15 area. Using that as a base, resistance is at 15.25, $15.50, $15.88, $16.13, $16.50, $17.75, $18.23, $18.63. Support is at $14.88, $14.49, $14.22, $13.95, $13.59, $13.32, $13.08. Sales were short-sale restricted before the open with 11% of the float short, 1.26 days to cover, 8.467M 10-day average volume. Recommended for speedy fingers only, the swings are bound to bewild.

Dendreon Securities Litigation

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Date: Mar 30 2007 9:41:39 Wire: TheFlyontheWall.com (FLY)
Most active equity option families in first 10-minutes of Trading:
DNDN COGN VLO DELL according to Track Data.

Date: Mar 30 2007 9:46:14 Wire: BLOOMBERG News (BN) By Nick Baker
Dendreon, Herbalife, Tribune, Volcano: U.S. Equity Movers
March 30 (Bloomberg) -- The following is a list of companies whose shares are having unusual price changes in U.S. exchanges today. Stock symbols are in parentheses after company names. Share prices are as of 9:30 a.m. New York time.
Dendreon Corp. (DNDN US) almost tripled, surging $10.27 to $15.49 and trading as high as $18.05. The company's prostate cancer drug Provenge was recommended for U.S. approval as the first treatment to stimulate the body's immune system against tumor cells. Advisers to the U.S. Food and Drug Administration voted 17-0 yesterday that the medicine is safe and 13-4 that it is ``substantially effective'' based on clinical trials so far.

Date: Mar 30 2007 10:13:00 Wire: TheFlyontheWall.com (FLY)
Dendreon-DNDN spreaders active on differentiated option prices on FDA Advisory
DNDN is recently up $8.78 to at $13.91. The FDA Advisory Panel say's DNDN's Provenge is safe for prostate cancer and recommended the agency approve the treatment. DNDN Provenge has a May 15th PDUFA date. McAdams Wright Ragen say's "it remains uncertain whether the FDA will want to see results of the ongoing IMPACT study, due to be completed in 2010, before granting approval." DNDN call option volume of 76,792 contracts compares to put volume of 56,655 contracts. DNDN April option implied volatility is at 150, May is at 200 & August is at 130 according to Track Data. DND puts are bid higher than calls because DNDN is difficult to borrow.

Date: Mar 30 2007 11:33:05 Wire: TheFlyontheWall.com (FLY)
Dendreon Corp-DNDN: Technical Alert: Levels: Update 2 [MORE]
Shares have now broken through the last of the prior support levels we gave in our prior note. Once again we have to caution the moves in the name are going to be very tough to navigate. On the 15 minute chart it looks like there is a bearish pennant that could have downside to $10. With shares hovering around $12 as this was written, the following are support levels to watch as downside objectives: $11.93, $11.75, $11.55, $11.25, $10.97, $10.74, $10.56, $10.36, $10.19, $10.01. Resistance is now at $12.15, $12.55, $12.85, $13.08, $13.32, $13.59, $13.95.

Date: Mar 30 2007 12:47:53 Wire: TheFlyontheWall.com (FLY)
On The Fly: U.S. Mid-Day Market Wrap-Up for Friday, March 30th
Wall Street opened higher, quickly turning around after the U.S. Department of Commerce said it would apply U.S. anti-subsidy laws to China. Another reason the market is down could be attributed to a recent article on Debka.com, that said Americans were advised to leave Bahrain because of the heightening tensions in Iran; Reuters said the White House was not aware of such actions. At mid-day, the Dow was down -55.24 points to 12,294.67, the Nasdaq traded down -6.60 points to 2411.51 and the S&P 500 slid -7.56 points.
MARKET NEWS: Financial sources say American investors in Bahrain were advised to leave, according to Debka.com.
MARKET MOVERS: Shares of Dendreon Corp (DNDN) shot up over +200% today after Provenge was voted effective by an FDA advisory panel with a vote of 13-4.

Dendreon Securities Litigation

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Date: Mar 30 2007 16:20:18 Wire: BLOOMBERG News (BN) By Jeff Kearns
Checkpoint Systems, Dendreon, ICT: U.S. Equity Movers Final

March 30 (Bloomberg) -- The following is a list of companies whose shares had unusual price changes in U.S. exchanges today. Stock symbols are in parentheses after company names. Share prices are as of 4 p.m. New York time.
Dendreon Corp. (DNDN US) more than doubled, surging $7.71 to $12.93. The company's prostate cancer drug Provenge was recommended for U.S. approval as the first treatment to stimulate the body's immune system against tumor cells. Advisers to the U.S. Food and Drug Administration voted 17-0 yesterday that the medicine is safe and 13-4 that it is ``substantially effective'' based on clinical trials so far.

Date: Mar 30 2007 16:29:16 Wire: BLOOMBERG News (BN) By Luke Timmerman
Dendreon Shares Surge After Panel Backs Cancer Drug (Update5)

March 30 (Bloomberg) -- Dendreon Corp.'s shares more than doubled after the company's prostate cancer drug, the first treatment to stimulate the body's immune system against tumor cells, won support from U.S. advisers.

The Seattle-based company's shares rose $7.71 to $12.93 at 4 p.m. New York time in Nasdaq stock market composite trading, and earlier more than tripled to $18.05 a share. The price was $5.22 two days ago, the last full day of trading. Today's trading, at 92 million shares, was the heaviest for any stock

Provenge would be the company's first approved drug and could generate $1 billion a year in U.S. sales, analysts say. The medicine, designed to train the body's immune system to fight prostate cancer as if it were a virus, would provide a new option for a disease that kills 27,000 men a year in the U.S. An advisory panel to the Food and Drug Administration said yesterday that Provenge is safe and ``substantially effective.''

``All of the doubts about the product have been answered,'' said David Miller, president of Biotech Stock Research, an independent equity research firm in Seattle, who owns shares in Dendreon. ``Fair value for this company is $20 a share.''

The FDA advisory panel voted 17-0 yesterday that the medicine, Provenge, is safe, and 13-4 that it's ``substantially effective,'' based on clinical trials. The FDA usually follows advice from its advisory committees in approving drugs for sale, although it isn't required to do so. Its deadline to complete the Provenge review is May 15, the company said.

Immune-Stimulation Companies

Stocks of other companies in the field of immune-stimulation therapy rose today. Cell Genesys Inc., of South San Francisco, California, climbed 70 cents, or 20 percent, to $4.20 at 4 p.m. New York time in Nasdaq Stock Market composite trading.

Shares of Medarex Inc. of Princeton, New Jersey, jumped $1.45, or 13 percent, to $12.94. New York-based Antigenics climbed 25 cents, or 13 percent, to $2.23.

Many investors have been betting Provenge would fail. About 26 million shares were held in a short position in March, more than twice the number in December, according to data compiled by Bloomberg. People who sell short try to profit by borrowing stock and repurchasing the securities later at a lower price to return to the holder. The stock traded at $3.65 a week ago.

Advising Caution

After the vote, UBS maintained its position that Dendreon is unlikely to get a speedy FDA approval because of cautious comments from the panel, according to a note to clients by analyst Graig Suvannavejh. ``Many voting `yes' did so saying that the `definitive' proof would come from an ongoing trial,''
Suvannavejh wrote.

``What this says to the FDA is that the drug has value to patients,'' said Mitchell Gold, Dendreon's chief executive officer, in an

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

interview after the advisory meeting yesterday.

The FDA's deadline to finish reviewing the drug is May 15, according to Dendreon.

Internal discussions will weigh whether the drug has demonstrated ``substantial'' effectiveness, the agency's statutory requirement, said Celia Witten, director of the FDA's Office of Cellular, Tissue and Gene Therapies. She is leading the FDA review of Provenge.

``The committee felt there was substantial evidence of effectiveness with the caveat that they want to see more evidence'' from a continuing study, said Witten in an interview after the vote.

'Well-Tolerated'

The first trial submitted by Dendreon of 127 men showed patients on Provenge lived a median 25.9 months, compared with 21.4 months for those on a placebo. The second trial, of 98 men, had a median survival of 19 months for Provenge patients.

The difference ``might be attributable to chance'' and ``doubts remain'' about how persuasive the trials were, the FDA staff said in a report released March 27.

Provenge appeared to be ``generally well-tolerated'' for prostate cancer patients, the staff said. There was a higher risk of stroke in those taking the drug, 3.9 percent, compared with 2.6 percent of placebo patients, raising a ``potential safety concern,'' they said. The most common side effects were fever and chills lasting one to two days, the company said.

A Matter of Choice

Another trial of 500 men, designed to measure the drug's survival benefit, is enrolling patients, Dendreon said. Instead of waiting until 2010 for that study's results, the advisory panel decided that doctors and patients should decide whether to try the treatment.

``This is not about establishing overwhelming evidence. From the evidence we've seen, there is reason to say it's time to give patients a choice,'' said panel member Francesco Marincola, an immunologist with the National Institutes of Health in Bethesda, Maryland, in an interview after the meeting. ``This opens up a whole new field of vaccine therapy that is very promising.''

The drug, called an immunotherapy, doesn't work like a traditional cancer treatment. Blood is drawn from a patient, and some white blood cells vital to the immune system are separated in a lab.

The white blood cells are shipped to the company and incubated with a genetically engineered protein found on prostate cancer cells. The white blood cells are supposed to recognize the protein as an invader and attack the cells that contain it. The revved-up white blood cells are then shipped back and re-infused into the patient.

Dendreon failed to demonstrate in trials that Provenge could slow the cancer's progression, the primary statistical goal of the studies. The company has said that may be because it can take weeks for Provenge to charge up the immune systen

30 March 2007 Canaccord Adams - Joseph Pantginis, Ben Sun

Dendreon Outcome Strengthens Cell Genesys' Status

Event

Yesterday, Dendreon received a favorable FDA Advisory Committee vote on both safety and efficacy for its product Provenge for hormone refractory prostate cancer. Dendreon now expects to hear by the May 15, 2007 PDUFA date whether the FDA will take the committee's positive vote and approve Provenge.

Impact

It was an exciting day for the cancer immunotherapy space as it appears that a company has finally broken through in getting the first cancer vaccine (immunotherapy) approved in the U.S. We view this as a great positive for the entire space, especially Cell Genesys, which we believe is in possession of a superior product with strong overall survival data in its GVAX platform.

Cell Genesys has been trading at or near 52-week lows over the last several months despite increasingly strong fundamentals. We believe Dendreon's good news will act as an important impetus in moving some of the negative sentiment away from the cancer

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

immunotherapy arena.
We expect Cell Genesys to trade higher based on Dendreon's news.
The Immunotherapy "Black Cloud" Is Starting To Dissipate
Yesterday was an exciting day for the cancer immunotherapy space. Dendreon (DNDN : NASDAQ : Not Rated) had its FDA Advisory Committee meeting for its lead product Provenge for the treatment of late stage hormone refractory prostate cancer (HRPC). In short, the committee recommended the approval of Provenge. Dendreon had previously been assigned a PDUFA date of May 15, 2007, but approval could come earlier. The vote results were as follows:
* 17 to 0 in favor of the safety profile of Provenge
* 13 to 4 in favor of the efficacy profile of Provenge.
Provenge's data has been well characterized, and the open-ended question going into the advisory committee was whether the efficacy results were sufficient. Two Dendreon studies failed to meet their main goal of slowing the progress of advanced prostate cancer, but one analysis found patients treated with the product lived about 4.5 months longer. Ahead of the vote, the overall statistical plan was also called into question, in which the survival benefit was seen (Cox regression analyses). In the end however, the combination of safety and convincing enough signs of efficacy prevailed. Whether the FDA will follow the vote of the Advisory Panel still remains to be seen, but the vote still represented a critical win for the cancer immunotherapy space.
It appears a cancer vaccine has finally broken through. However, first is great for the space and good news for Dendreon, although it does not necessarily mean the best.

March 30, 2007 Loewen, Ondaatje, McCutcheon - Nigel deGruyther
The Provenge Outcome
On 29 March, 2007, Dendreon (NASDAQ-DNDN) presented data to an FDA panel in a bid for accelerated approval of its Provenge product for the treatment of hormone refractory (unresponsive) prostate cancer. The studies presented failed to meet primary endpoints: slowed tumor growth. However, subsequent analysis of the largest study indicated that patients that received Provenge lived on average 4.5 months longer.
The FDA panel found that despite a small increase in the risk of stroke as well as chills, fever, and headaches, the treatment is reasonably safe. It also voted 13-4 that they had been presented substantial evidence that the product works.
This is not yet an approval for Provenge. As well, the company is continuing phase III testing in prostate cancer that is not expected to finish until 2010. It is the completion of phase III that would allow Dendreon move to full commercialization of Provenge.
The company will get a response from the FDA on accelerated approval for hormone refracting prostate cancer by 15 May. Although the FDA is not committed to following the advice of its panels, it is unusual for the FDA to ignore the panels' advice.

March 30, 2007 Credit Suisse
U.S. News & Credit Suisse Research with Global Implications
Dendreon Corp. (DNDN, $5.22) saw shares skyrocket 147.70% after the Food and Drug Administration announced that the company's prostate cancer treatment was safe and effective.
03/30/07 Piper Jaffray
Stock Technigrade Rankings
Dendreon Corp
Rank Now: 2 +

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
4/2/2007	43,741,541	$14.30	10.60%	4.53	*April 2, 2007 Blackmont Capital Inc.* **HealthWatch** The news flow for Q1/07 in North America was somehow mixed. While there were positive clinical outcomes such as Dendreon (DNDN-NASDAQ), which received the backing of an FDA advisory committee supporting the safety profi le of their prostate cancer drug, Provenge, there were few signifi cant molecule approvals and the various negative Phase III results dampened the momentum we saw in Q4/06. This was in addition to Genentech's (DNA-NASDAQ) Avastin results for non small cell lung cancer, which showed similar progressionfree improvement between low and high approved dose (7.5 and 15mg/kg), and is expected to have a negative impact on the newly approved 15mg dose. *Date: Apr 2 2007 9:42:32 Wire: TheFlyontheWall.com (FLY)* **Most active equity option families in first 10-minutes of Trading:** Most active equity option families in first 10-minutes of Trading: DNDN CEPH AAPL QCOM according to Track Data. *Date: Apr 2 2007 10:11:01 Wire: BLOOMBERG News (BN) --Natalie Gilbert* **Dendreon Raised to `Neutral' at Next Generation: DNDN US** Princeton, New Jersey, April 2 (Bloomberg Data) -- Dendreon Corp. (DNDN US) was raised to ``neutral'' from ``sell'' by analyst Liisa Bayko at Next Generation Equity Research. The price target is $15.00 per share. *Date: Apr 2 2007 16:05:21 Wire: TheFlyontheWall.com (FLY)* **Option Update – April 2, 2007 [MORE]** Volatility Index S&P 500 Options-VIX down .05 to 14.57 Option volume leaders; DNDN, HAL, MOT, QCOM and MSFT
4/3/2007	25,857,906	$14.65	2.45%	0.13	*Date: Apr 3 2007 9:44:21 Wire: TheFlyontheWall.com (FLY)* **Most active equity option families in first 10-minutes of Trading** Most active equity option families in first 10-minutes of Trading: GOOG DNDN OVTI LEND according to Track Data. *Date: Apr 3 2007 16:10:08 Wire: TheFlyontheWall.com (FLY)* **Option Update – April 3, 2007 [MORE]** Volatility Index S&P 500 Options-VIX down 1.02 to 13.51 Option volume leaders today are: AAPL, GOOG, INTC, DNDN and MSFT. *Date: Apr 3 2007 16:19:58 Wire: BLOOMBERG News (BN) By Elizabeth Lopatto* **Cell Genesys Shares Jump 32% on Cancer Drug Results (Update4)** April 3 (Bloomberg) -- Cell Genesys Inc.'s shares climbed 32 percent after updated test results showed its experimental drug for prostate cancer improved survival better than previously indicated. The stock jumped $1.39 to $5.70 at 4:00 p.m. New York time in Nasdaq Stock Market composite trading after earlier climbing 41 percent to $6.06. The experimental treatment GVAX increased survival to 35 months rather than 26.2 months, the South San Francisco, California, company said today in a statement. Patients survived 18.9 months when given the standard treatment, Cell Genesys said. The company has no products on the market.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					``We continue to hope that GVAX immunotherapy for prostate cancer may some day offer a new treatment option for patients with this disease," said Rob Bow, the chief medical officer of the company in the statement. The stock surged 20 percent March 30 after a U.S. advisory committee recommended approval of a prostate-cancer treatment from Dendreon Corp. If approved, the Dendreon product would be the first to stimulate the body's immune system against tumor cells. The Cell Genesys drug also stimulates the immune system. The company has accumulated a deficit of $391.8 million since it was founded in Delaware in 1988, according to a March 1 company filing. Shares of Dendreon, based in Seattle, gained 35 cents, or 2.4 percent, to $14.65 in Nasdaq Stock Market composite trading. The stock more than tripled in the past week. Cell Genesys has gained 68 percent this year and has declined 27 percent in the past 12 months. *3 April 2007 Canaccord Adams* **Dendreon Paving The Way For Cell Genesys To Reap The Ultimate Rewards** Competitive advantage over Provenge Provenge is an autologous cancer immunotherapy, which in short means that a sample from individual patients must be obtained and then processed to construct the vaccine, which takes time. A clear advantage from a manufacturing standpoint is that Cell Genesys' GVAX platform is an "off-the-shelf" non-patient specific cancer immunotherapy. Regardless of how the vaccine is made, it will ultimately come down to safety and survival benefit.
4/4/2007	13,783,734	$15.08	2.94%	0.87	*April 4, 2007 Rodman & Renshaw - Ren Benjamin, Ling Wang, Yale Jen* **Dendreon Announces that the FDA Advisory Committee Issued Positive Opinion for Provenge® in Hormone Refractory Prostate Cancer** On March 29, 2007, Dendreon (DNDN, Not Rated) announced that the FDA Office of Cellular, Tissue and Gene Therapies Advisory Committee recommended to the FDA that there is substantial evidence of efficacy and safety of PROVENGE (sipuleucel-T) for the treatment of patients with asymptomatic, metastatic, androgen-independent (also known as hormone refractory) prostate cancer. If approved for marketing by the FDA, PROVENGE would become the first active cellular immunotherapy and the first biologic approved to treat prostate cancer. The FDA will now review the advisory committee's recommendations. The company anticipates a decision on PROVENGE by May 15, 2007. The Advisory Committee was asked if the submitted data established that sipuleucel-T (APC-8015) is reasonably safe and whether there is substantial evidence that the product is efficacious. The Advisory Committee voted 17 to 0 in favor of the safety of PROVENGE in response to the question and 13 to 4 in favor of the efficacy question. *Date: Apr 4 2007 9:35:25 Wire: GlobeNewswire, Inc. (PZM)* **SmallCap Sentinel: Stem Cell Industry Profile and Interview Made Available** IRVINE, Calif., April 4, 2007 (PRIME NEWSWIRE) -- A report and profile featuring emerging companies within the stem cell industry has been released by financial courier Small Cap Voice and is now available online to the investing public The report will feature detailed information regarding Pluristem Life Systems, Inc. (OTCBB:PLRS) and address information important to this industry and investors of other biotechnology companies including ViaCell, Inc. (Nasdaq:VIAC), Dendreon Corp. (Nasdaq:DNDN), and Osiris Therapeutics (Nasdaq:OSIR).

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

Date: Apr 4 2007 15:41:11 Wire: TheFlyontheWall.com (FLY)
Dendreon-DNDN implied volatility & volume stays Aggressive into May 15 data
DNDN is recently up .22 to$14.87. On 3/29 the FDA Advisory Panel said DNDN's Provenge is safe for prostate cancer. DNDN Provenge has a May 15th PDUFA date. DNDN call option volume of 35,585 contracts compares to put volume of 16,060 contracts. DNDN May option implied volatility is at 190 according to Track Data, suggesting large risks.

Date: Apr 4 2007 16:10:12 Wire: BLOOMBERG News (BN) By Robert Greene
IDM Pharma Shares Rise for Fifth Consecutive Day (Update2)
April 4 (Bloomberg) -- IDM Pharma Inc.'s shares rose 45 percent, for a fifth consecutive gain, after the company said U.S. advisers will review the bone-cancer drug Junovan.

The price increased by $2.38 to $7.63 a share at 4 p.m. p.m. New York time in Nasdaq Stock Market composite trading. The shares of the Irvine, California, company have risen 27 percent from a year ago.

IDM Pharma said yesterday that a committee of advisers to the U.S. Food and Drug Administration scheduled a hearing May 9 to discuss Junovan. The statement cited positive results from an advanced human trial that included children.

The stock increased 38 percent yesterday, and 15 percent the day before, when the company reported a narrower loss for the fourth quarter. Junovan works by triggering the immune system to attack cancer cells. Shares of companies developing such treatments have risen since an advisory panel last week recommended that the FDA approve Dendreon Corp.'s Provenge, a prostate-cancer drug.

Date: Apr 4 2007 17:01:37 Wire: BLOOMBERG News (BN) By Luke Timmerman
Pharmacyclics Protests FDA Refusal to Review Drug (Update3)
April 4 (Bloomberg) -- Pharmacyclics Inc. protested U.S. regulators' refusal to consider an experimental cancer drug and demanded a ``complete and thorough review'' of what would be the company's first marketed product.

The Food and Drug Administration declined to review the company's application in February to sell Xcytrin, a treatment for brain tumors in lung cancer patients, it said in a statement today. Filing a protest forces the FDA to review the drug and approve or reject it by the end of the year, Pharmacyclics said.

Xcytrin, used with radiation, slowed symptoms in patients with brain tumors by 5.4 months longer than those getting only radiation, Pharmacyclics said. While the difference wasn't statistically significant in a test of 554 patients, the company says the FDA should review the data, which may show a benefit for 90,000 U.S. patients a year who run out of options. If approved, Xcytrin would be the company's first marketed product.

``There was no justification for their action,'' said Richard Miller, Pharmacyclics' chief executive officer, in a telephone interview yesterday. ``We believe the drug deserves a full and complete review by FDA because it benefits patients.''

Shares of the Sunnyvale, California-based company fell 3.3 percent to $2.63 in late trading. Earlier they rose 8 cents, or 3 percent, to $2.72 as of 4 p.m. New York time in Nasdaq Stock Market composite trading and have dropped 39 percent in the past 12 months. They fell 37 percent Feb. 21 after the drug application was rejected.

Pharmacyclics, which has spent more than 10 years developing Xcytrin, seeks to put its application before a panel of FDA expert advisers. There's no guarantee it will get a hearing, and the FDA could still reject the application or ask for more studies, Miller said.

A Rare Step

The company could instead have chosen to make an appeal to a small group of expert advisers, said Peter Barton Hutt, a partner at the law firm Covington & Burling in Washington and a former chief counsel at the FDA. Forcing the agency to do a review is rarely done, he said.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					``One would think there should be an obligation for FDA to examine every clinical trial to see what happened, potentially why it happened and to see who might be helped," Hutt said in an interview yesterday. The FDA's office for cancer drugs refused the application without a full review because it failed to reach the study's primary goal of slowing down neurological damage from brain tumors, Miller said. That wasn't justified because other drugs, like Eli Lilly & Co.'s Alimta, have been approved after failing to reach that statistical threshold, he said. Inconsistent Enforcement The requirement to reach a study's primary goal has been inconsistently enforced by FDA, Miller said. Last week, an expert panel of advisers to the agency recommended approval of Dendreon Corp.'s Provenge for prostate cancer, after the company failed to reach its main statistical goal, yet a study did show it can prolong lives. Provenge is now being reviewed by a different division of the FDA, which examines cell and gene therapies. Pharmacyclics worked with the FDA at the start of the study to craft a meaningful goal. No standard measurements for such a trial existed, because no new therapy has been developed in more than 40 years for tumors that have spread from the lungs to the brain, Miller said. The FDA and the company agreed when they developed the study's main goal that it would measure any declines in patients' vision, balance, speech, memory and motor function, Miller said. ``The thing that disturbs me is, when you go after an unmet medical need in a hard disease that's common, they discourage you from pursuing that," Miller said. ``We have an office of FDA here where they are pushing for statistical precision, and where the rules are being incorrectly applied, and that's disturbing to me. It may be disturbing to patients. *Date: Apr 4 2007 20:50:34 Wire: InsiderScore (ISD)* **InsiderScore.com Sell Alert: DNDN -1.4** *Date: Apr 4 2007 20:52:25 Wire: Washington Service (WSA)* **Gold Mitchell H,C.E.O.,Sells 202,090 ON 4/2/07 OF DNDN** *Date: Apr 4 2007 20:54:16 Wire: Washington Service (WSA)* **Dziurzynski Bogdan,Director,Sells 25,000 On 4/3/07 OF DNDN** Date: Apr 5 2007 12:40:54 Wire: Briefing.com Global Menu (BRF) DNDN: Dendreon catching big intraday momentum to bring last week's gap up high of 18.05 into play (16.45 +1.37) [Update] [Technical]
4/5/2007	60,308,098	$18.05	19.69%	7.36	*04/05/07 Piper Jaffray* **Stock Technigrade Rankings** Dendreon Corp Rank Now: 1 *Date: Apr 5 2007 13:29:20 Wire: Briefing.com Global Menu (BRF)* **DNDN: Dendreon extends its intraday momentum to probe last week's Gap Up high of 18.05 (17.95 +2.87) [Update] [Technical]**

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Date: Apr 5 2007 16:10:36 Wire: TheFlyontheWall.com (FLY)
Option Update – April 5, 2007 [MORE]
Volatility Index S&P 500 Options-VIX down .07 to 13.17 Option volume leaders today are: MO, QCOM, DNDN and MSFT.

Date: Apr 5 2007 16:14:59 Wire: BLOOMBERG News (BN) By Luke Timmerman
Dendreon Shares Surge 20% After FDA Panel Vote (Update2)
April 5 (Bloomberg) -- Dendreon Corp.'s shares rose 20 percent today to their highest point in more than six years, after investors made up for betting against the company's experimental drug for prostate cancer.
Shares of the Seattle-based company rose $2.97 to $18.05 at 4 p.m. New York time in Nasdaq Stock Market composite trading. The stock has more than tripled since March 29 when advisers to U.S. regulators recommended its drug Provenge for the marke
The positive vote took many investors by surprise, and those who had bet Dendreon would fail were buying back the shares to minimize losses, an analyst said. About 26 million shares were held in a short position before the meeting, more than twice the number in December, data compiled by Bloomberg show. People who sell short try to profit by borrowing stock and repurchasing the securities later at a lower price to return to the holder.
``This stock was over-shorted, so as the stock goes up, people are running for the exits," said David Miller, president of Biotech Stock Research, an independent equity research firm in Seattle. He owns shares in Dendreon.
Provenge would be the company's first approved drug and could generate $1 billion a year in U.S. sales, analysts say. The medicine, designed to train the body's immune system to fight prostate cancer as if it were a virus, would provide a new option for a disease that kills 27,000 men a year in the U.S. An advisory panel to the U.S. Food and Drug Administration said March 29 that Provenge is safe and ``substantially effective."
CEO Share Sales
Dendreon Chief Executive Officer Mitchell Gold sold about 202,000 shares in the company on Monday, almost 20 percent of his personal holdings of Dendreon stock and options, Dendreon spokeswoman Monique Greer said in a telephone interview.
The sales were at about $13.46 a share, according to a filing with the Securities and Exchange Commission. That's more thar double the price from a week earlier, before the FDA panel's positive recommendation.
``Can this stock break any more rules?" Miller said in an interview. ``The FDA briefing documents come out before the panel, and the stock goes up. Now the CEO sells the stock, and it goes up.'
This is the first time Gold has sold shares in the company, Greer said.
``It's a personal decision, and to diversify his portfolio," Greer said. ``His belief in the company is still very strong. If he was out to take advantage of the situation, he could have sold a lot more."

Date: Apr 5 2007 16:27:52 Wire: BLOOMBERG News (BN) By Luke Timmerman
Pharmacyclics Climbs 15% After Protest to Regulators (Update1)
April 5 (Bloomberg) -- Pharmacyclics Inc. shares rose the most in more than a year after the company filed a protest forcing federal regulators to review its drug for brain tumors.
Shares in the Sunnyvale, California, company rose 40 cents, or 15 percent, to $3.12 at 4 p.m. New York time in Nasdaq Stock Market composite trading. They rose 20 percent in January 2006.
The Food and Drug Administration declined in February to review Pharmacyclics' application to sell Xcytrin to treat brain tumors in lung cancer patients. Though the drug didn't show a statistically significant benefit in a large clinical trial, the company may be taking a cue from Seattle-based Dendreon Corp., which last week persuaded an FDA panel to recommend its prostate cancer drug,

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					which also didn't reach its statistical goal. ``Management of this company, in a wise PR move, wants to ride the coattails of Dendreon's success in front of an FDA panel," said David Miller, president of Biotech Stock Research, an independent equity research firm in Seattle. ``Their reasoning to the Street is that `Dendreon squeaked through, so the bar is now lower for us.'" Xcytrin, used with radiation, slowed symptoms in patients with brain tumors by 5.4 months longer than those getting only radiation, Pharmacyclics has said. While the difference wasn't statistically significant in a test of 554 patients, the company says the FDA should review the data, which may show a benefit for 90,000 U.S. patients a year who run out of options. If approved, Xcytrin would be the company's first marketed product.
4/9/2007	78,763,176	$23.58	30.64%	13.18	*April 9, 2007 Brean Murray, Carret & Co. - Jonathan Aschoff, Ph.D.* **Dendreon Corp. - Potential Approval of PROVENGE Could Set Dangerous Double Standard in FDA Policy; Fallout Already Beginning** Investment Summary * FDA recently rejected Pharmacyclics' NDA for not meeting primary endpoint. Last week, Pharmacyclics requested that the FDA review over protest its recently rejected NDA for Xcytrin, the company's lead drug candidate for the treatment of non-small-cell lung cancer (NSCLC) in patients with brain metastases. The FDA originally rejected the NDA filing based on Xcytin's failure to meet its primary endpoints. * PROVENGE also failed to meet its primary endpoint. Both Phase 3 trials for PROVENGE failed to meet their primary endpoints and instead used a post-hoc median survival endpoint, encompassing time during which post-progression treatment was highly variable, which the FDA accepted for review. A CBER panel recently recommended PROVENGE for approval following an impromptu rewording of the predetermined efficacy question. * Believe FDA is employing a double standard in policy. We are very surprised when comparing the Xcytrin and PROVENGE regulatory pathways, as one virtually mirrors the other, yet Xcytrin's NDA was rejected and PROVENGE's accepted. We believe the FDA is setting a dangerous precedent regarding the review process of NDAs with PROVENGE and Xcytrin, creating what looks like a double standard between CDER and CBER filings. Discussion * PROVENGE NDA accepted, yet Xcytrin's rejected. Dendreon filed an NDA for PROVENGE that did not meet its primary endpoint, solely based on a post-hoc survival analysis, which determined a statistically significant benefit in only one trial and in the pooled analysis. We are puzzled as to why the FDA would reject Xcytrin's NDA based on failure to meet a primary endpoint and also demonstrated significance in a pooled analysis. Even more surprising is that PROVENGE was recently recommended for approval by a CBER review panel. Both target indications of Xcytrin and PROVENGE represent a severely underserved market in a very sick patient population. Upon a cursory review, we believe Xcytrin pooled data represents a more robust data set than PROVENGE, with a total patient population in Xcytrin trials of 1,207 versus 225 for PROVENGE, and Xyctrin had nominal adverse events of ypertension and fatigue compared to PROVENGE's incidence of life-threatening CVAs. Xcytrin clinical trial results and regulatory path. In December 2005, Pharmacyclics reported the failure of Xcytrin to meet its redefined primary endpoint (p=0.122) of time to neurologic progression (TNP) in its pivotal Phase 3 (SMART) trial of whole brain radiation therapy (WBRT) alone to WBRT plus Xcytrin. No secondary endpoints were met. Nevertheless, according to the company, there was a failure of physicians outside the U.S. (47% of the total Phase 3 population) to adhere to protocol as well as a one-sided patient population of mostly women in the U.S. Thus, a subset analysis of the data in North America (63% of the total Phase 3 population) yielded a statistically significant result in the primary endpoint (p=0.004). In May 2006, the company reported pooled

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

results from two Phase 3 trials (SMART and a separate Phase 3 of multiple cancer brain mets) of Xcytrin and WBRT versus WBRT alone in a combined patient population of 1,207 patents. In the pooled results analysis, the median TNP determined by a blinded events review committee was statistically significant (p = 0.016). Secondary endpoints also showed significant benefit - TNP as determined by investigators (p = 0.015) and time to neurocognitive progression (p = 0.02). Furthermore, the only Grade 3 and 4 adverse events recorded for Xcytrin was hypertension and fatigue, which were reversible.

* Reiterate belief that PROVENGE BLA data does not support FDA approval. We cannot ignore the fact that the first two Phase 3 trials failed their primary endpoints and instead used a post-hoc median survival endpoint, encompassing time during which post-progression treatment was highly variable. We think this is highly confounding to the analysis and was in part created by the 75% of placebo patients who crossed over to PROVENGE upon disease progression.

Additional information released by Dendreon in October for PROVENGE (D9901 and D9902A exploratory studies) is superficial data-dredging, in our view, and therefore does not influence our position. The PROTECT trial results to this point do not add significantly to our PROVENGE opinion, given its focus on biochemical and immunological markers and the lack of any statistical significance in the metastasis primary endpoint.

* FDA must issue Approvable Letter, in our opinion. We maintain our belief that Dendreon is banking more on the dire need for safer prostate cancer therapies given the large and growing incidence of the disease and less on the merits of its trials' results. We expect that the FDA will ultimately award Dendreon an Approvable Letter, contingent on the D9902B trial results (interim results expected in 2H08, final results in 2010). We anticipate D9902B failure, given that it is a more robust trial. We also believe that an Approvable Letter is the only way for the FDA to correct what we believe to be a double-standard review policy for CDER versus CBER.

* Cannot ignore post-hoc analysis effect on survival efficacy claims. In a CBER clinical briefing document released two weeks ago, reviewers highlighted concerns over the post-hoc analysis used to determine survival. Only one trial, D9901, demonstrated a statistically significant increase in survival; D9902A demonstrated a six-month difference in survival versus D9901, suggesting irregularities in trial protocol such as chemotherapy use post-progression in the D9901 trial. Lack of survival as a primary endpoint resulted in a trial design that, in our view, rendered an estimation of survival very difficult to conclude. Differentials in chemotherapy use take more forms than only time to initiation or percent of patients using.

* Panel apparently not concerned about cerebrovascular accidents (CVAs). CVAs appeared to occur more frequently in PROVENGE-treated subjects; 8 of 147 (5.4%) PROVENGE treated patients experienced CVA-related SAEs, compared to 0 in placebo-treated patients in D9901 and D9902A combined. In the ongoing D9902B trial, 5 of 198 (2.5%) PROVENGEtreated subjects developed a CVA compared to 1 of 96 (1.0%) placebo-treated subjects. However, the panel was not really concerned at all with any safety issues in the end.

* Zelnorm pulled from market specifically for serious CVAs. Zelnorm was recently withdrawn after five years on the market due to CVAs. Data from 29 post-marketing studies, independently reviewed by industry experts, demonstrated severe CVAs occurred in 13 of 11,614 patients treated with Zelnorm/Zelmac (0.11%), compared to one case in 7,031 placebotreated patients (0.01%), which resembles the relative CVA event rate Dendreon's PROVENGE (3.1% versus 0.05%). The FDA based its decision on Zelnorm's poor risk/reward profile, which offered little efficacy for a non-life-threatening indication compared to the potential of a life-threatening adverse event. PROVENGE's safety profile can tolerate a higher event rate due the lack of approved therapies and the deadly prognosis associated with hormone refractor prostate cancer.

Nevertheless, when comparing total patient populations, the incidence of CVAs in PROVENGE's three HRPC trials is significantly higher (n=625) than cardiovascular events in Zelnorm (n=18,645). It is important to note that the 13 patients with CVAs in the Zelnorm trials had pre-existing cardiovascular disease and/or CV risk factors; to our knowledge, no PROVENGE patients with CVAs were predisposed to stroke or any other cardiovascular events.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					* Approvable Letter would likely result in dilutive financing. Given the atypical panel result, we believe raising capital in front of an FDA decision only about 45 days from now is essentially asking for legal problems, and therefore Dendreon's ability to raise capital at a favorable valuation still hinges upon outright FDA approval. If there ever is primary endpoint success for PROVENGE, it may not occur until 2010, when the D9902B trial is projected to achieve its predefined evaluation point of 360 deaths. Waiting until 2010 would require raising significantly more than $100 million in cash, by our estimates, which do not even factor in significant pre-launch expenses. Valuation. We reiterate our Sell rating and target price of $1.50, which is based on our lack of faith in PROVENGE approval and our calculated cash per share estimate for 2Q07. * Risks. Risks applicable to DNDN not achieving our $1.50 target price include: (1) successful product development; (2) successful business development; (3) successfully competing; and (4) market risk involving positive share-price trends in the biotech sector in general. *Date: Apr 9 2007 9:41:42 Wire: TheFlyontheWall.com (FLY)* **Dendreon-DNDN May implied volatility Aggressive as DNDN rallies into May 15 data** DNDN is recently up $2.79 to $20.80. On 3/29 the FDA Advisory Panel said DNDN's Provenge is safe for prostate cancer. DNDN Provenge has a May 15th PDUFA date. DNDN May option implied volatility is above according to Track Data, suggesting large risks. *Date: Apr 9 2007 9:42:55 Wire: TheFlyontheWall.com (FLY)* **Most active equity option families in first 10-minutes of Trading** Most active equity option families in first 10-minutes of Trading: DNDN INTC AMD RIMM according to Track Data *Date: Apr 9 2007 11:54:23 Wire: Briefing.com Global Menu (BRF)* **DNDN: Dendreon: Following its recent upside surge, stock climbs to session highs on a pick up in volume (23.66 +5.60) [Update]** [Technical] *Date: Apr 9 2007 16:02:01 Wire: TheFlyontheWall.com (FLY)* **Option Update – April 9, 2007** Volatility Index S&P 500 Options-VIX down .04 to 13.19. Option volume leaders today were: DNDN, INTC, NYX, DOW and QCOM. *Date: Apr 9 2007 21:55:50 Wire: Washington Service (WSA)* **Kunath Ruth B,Director,Sells 54,000 On 4/4/07 OF DNDN**
4/10/2007	66,825,659	$22.15	-6.06%	(2.41)	*10 April 2007 Canaccord Adams Inc. – Joseph Pantginis, Ben Sun* **Cell Genesys saw its shares rising 8% in March. On 29 March 2007 Dendreon received a favorable FDA Advisory Committee vote on both safety and efficacy for its product Provenge for HRPC. Dendreon now expects to hear by the 15 May 2007 PDUFA date whether the FDA will take the Committee's positive vote and approve Provenge.** It was an exciting day for the cancer immunotherapy space as it appears that a company has finally broken through in getting the first cancer vaccine (immunotherapy) approved in the US. We see this as a significant positive for the entire space, especially Cell Genesys', which we believe is in possession of a superior product with strong overall survival data in its GVAX platform.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

Date: Apr 10 2007 10:13:28 Wire: TheFlyontheWall.com (FLY)
Most active equity option families in first 40-minutes of Trading
Most active equity option families in first 40-minutes of Trading: DNDN MEDI FCX according to Track Data.

Date: Apr 10 2007 10:13:28 Wire: TheFlyontheWall.com (FLY)
Most active equity option families in first 40-minutes of Trading
Most active equity option families in first 40-minutes of Trading: DNDN MEDI FCX according to Track Data.

Date: Apr 10 2007 14:26:47 Wire: Briefing.com Global Menu (BRF)
DNDN: Dendreon: Not clear whether FDA will heed recommendation of advisory panel - MDB Capital (23.56 -0.02) [Update]
MDB notes that the FDA will make a final ruling for Provenge by May 15th and it is not clear if it will heed the recommendation of its advisory panel, though it typically does. Firm believes the FDA will think hard about this one and is probably in a dilemma of sorts. Firm says while the FDA normally heeds the decision of its advisory panel, this particular case may not be clear cut. Firm has taken a neutral view because they do not believe that there is enough armament to handicap the decision of the FDA on Provenge. While the FDA typically heeds the advice of the advisory panel, in this case they are not sure.

04/10/2007 MDB Capital Group - Rahul Jasuja, Ph.D.
DENDREON CORPORATION - Provenge: Will the FDA heed the advice of the advisory panel?
SUMMARY
The recent vote (13 to 4) in favor of Provenge approval by the cellular, tissue and gene therapy advisory panel was a surprise. The FDA will make a final ruling by the May 15th and it is not clear if it will heed the recommendation of its advisory panel, though it typically does. We believe the FDA will think hard about this one and is probably in a dilemma of sorts. The meteoric rise in DNDN even before the FDA has made a final ruling comes with substantialrisk.
We maintain a neutral rating based on our stance that decisions at this stage are not amenable to sufficient analysis and may be more related to the evolving and future mandate on immunotherapy endpoints and trials within the oncology community, FDA and maybe even the dynamics within involving CDER1 and CBER2. There are reasonable arguments to be made on either side.
While the FDA normally heeds the decision of its advisory panel, this particular case may not be clear cut. The issues are complex for several reasons as discussed in our previous publications. As a recap, the Provenge trial failed to meet its prospectively defined primary endpoint of disease progression but still demonstrated survival benefit – the gold standard to measure the efficacy of a cancer drug. Should the FDA ignore a prospectively defined endpoint and take into account a secondary endpoint and the medical need for refractory prostate cancer patients that have no attractive options? Is it fair that the FDA apply a separate (and evolving) standard for immunotherapy versus other conventional therapies for oncology?
We believe there are two schools of thought on how the FDA could act, assuming that the FDA is in general agreement with the advisory panel on the safety and efficacy measures.
1. The Provenge trial failed its primary endpoint (time to disease progression), therefore the FDA must not approve Provenge since typically given historical precedence, the trial has failed. Proponents of this line of thinking believe that FDA must stick to a strict view since failure to do so will suggest that the FDA has double standards. The FDA must be objective and not subjective in the way it evaluates the merits of a trial even if the prospective measures to evaluate efficacy may not be optimal for a particular disease or therapy (as determined retrospectively).

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					2. Yes, Provenge failed its primary endpoint of time to disease progression, but the trial met a secondary endpoint (survival benefit) that is more important and is the gold standard for measuring the efficacy of a cancer therapy. Proponents of this line of thinking argue that the wrong metrics were applied to an immunotherapy trial – i.e. chemotherapy-like endpoints were applied (measuring time to disease progression). For an immunotherapy trial, where the harnessing and manipulation of the immune system in patients is a delayed response and involves memory cells, the more apt endpoint may be survival. Therefore, those in favor of this argument believe that the FDA should take into consideration the nature of the therapy (immunotherapy) and the fact that it improved on the ultimate test of a cancer drug – survival benefit. Potentially, but less likely, the FDA could take a middle path - acknowledge the decision of the advisory panel that voted 13-4 in favor of approval but still put narrow restrictions on the label with a requirement to complete the ongoing Phase 3/4 (study D9902B) and re-affirm survival benefit. We have taken a neutral view because we do not believe that there is enough armament to handicap the decision of the FDA on Provenge. While the FDA typically heeds the advice of the advisory panel, in this case we are not sure *Date: Apr 10 2007 21:36:16 Wire: Washington Service (WSA)* **Kunath Ruth B,Director,Sells 3,950 ON 4/5/07 OF DNDN** *Date: Apr 10 2007 22:23:28 Wire: Washington Service (WSA)* **Dendreon Corp: Gold Mitchell H Files To Sell 202,090 Shares** *Date: Apr 10 2007 22:23:28 Wire: Washington Service (WSA)* **Dendreon Corp: Kunath Ruth B Tt Lakenan Trust Files To Sell 98,9**
4/11/2007	50,858,626	$18.23	-17.70%	(7.09)	*April 11, 2007 JMP Securities - Charles C. Duncan, Felicia Miller,* **Dendreon Corporation (1 - Upside Scenarios Exist, But Near-term Valuation Nearing the Top; Lowering to MO** Investment Highlights * Upside scenarios exist, but Dendreon's near-term valuation nearing the top; downgrading from Strong Buy to Market Outperform, but raising price target from $20 to $24. Since the favorable outcome for Provenge from the FDA panel, DNDN shares have jumped 350%. We estimate Dendreon's take-out value could reach $2.5 billion, a result of potential upside to our peak revenue estimates ($1.2B in 2012) from higher penetration rates, and broader, off-label use in earlier stage disease. We also look for the possible signing of an ex-US commercial partnership to illuminate the path to EU revenue, not currently modeled in our expectations. We continue to believe there to be roughly a 50% probability of Provenge being granted an approval by the FDA by the PDUFA date (May15), as well as a 50% probability of the company receiving an approvable letter with additional clinical data required for final approval. While we had previously valued DNDN shares using 2010 EPS estimates, we believe 2012 estimates may be more indicative of the stock's value. Using our previous valuation methodology (25x 2010 EPS estimates discounted at 25%), applied to 2012 EPS estimates of $2.34 we derive a $24 price target (up from $20). However, given the risk of the pending regulatory action and the recent impressive run by DNDN shares, we believe the stock could see limited upward momentum until increased visibility is seen on the upside scenarios to our model. * Outer-year economic value from Provenge could exceed expectations. We believe Provenge's high visibility could drive rapid adoption. However, we believe several variables could impact Provenge revenues, making our current estimates overly conservative. Such factors include higher-than-anticipated penetration rates, and broader, off-label use in earlier stage disease. In addition, ou

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

current model does not include ex-US derived revenue. Finally, in the shorter-term, an FDA approval would de-risk the story, from a regulatory perspective.

* Valuation based on 2012 estimates -- raising price target from $20 to $24. While we do not use terminal value to derive DNDN's price target, we believe our 2012 estimates are most indicative of Provenge's economic value. Our 2012 estimates project highe profitability (33%) from Provenge revenues compared to 2010 (25% profitability). Based on our previously published valuation methodology (25x 2010 EPS estimates discounted at 25%), but using 2012 EPS estimates of $2.34, we derive a new $24 price target, upwardly revised from our previous $20.

Investment Risks

Given Dendreon is still in the development stage with no approved products, the risks to an investment in the stock include uncertainty regarding whether its product pipeline can progress into later-stage trials and eventually receive marketing approval from the regulatory agencies. In addition, the company faces financial risk based on the fact that it is currently unprofitable and our expectation is that it will remain unprofitable for the next few years.

April 11, 2007 Credit Suisse

U.S. News & Credit Suisse Research with Global Implications

Health stock Dendreon Corp (DNDN, $22.15) dropped sharply today following a downgrade by a competitor.

The company, which has seen its stock rise from under four dollars to over twenty-three dollars in the past few weeks, gave back 17.70% today.

Date: Apr 11 2007 9:47:15 Wire: TheFlyontheWall.com (FLY)

Most active equity option families in first 10-minutes of Trading

Most active equity option families in first 10-minutes of Trading: DNDN NRMX AMGN according to Track Data.

Date: Apr 11 2007 10:11:41 Wire: BLOOMBERG News (BN) --Sybil Chahbandour

Dendreon Cut to `Market Outperform' at JMP Securities :DNDN US

Princeton, New Jersey, April 11 (Bloomberg Data) -- Dendreon Corp. (DNDN US) was downgraded to ``market outperform'' from ``strong buy'' by analyst Charles C Duncan at JMP Securities. The price target is $24.00 per share.

Date: Apr 11 2007 10:31:50 Wire: TheFlyontheWall.com (FLY)

On The Fly: Downgrade Summary for Wednesday, April 11th [MORE]

JMP Securities downgraded Dendreon Corp (DNDN) to Market Outperform from Strong Buy

Date: Apr 11 2007 11:09:16 Wire: BLOOMBERG News (BN) By Allen Wan

Dendreon Falls After JMP Securities Says Rally May Be Over

April 11 (Bloomberg) -- Dendreon Corp.'s shares had their biggest decline in almost five months after JMP Securities said the rally for the stock may be over following a fourfold increase since an FDA advisory panel recommended its prostate- cancer drug Provenge be approved.

Analyst Charles Duncan, who covers Dendreon for the San Francisco-based brokerage, also downgraded Dendreon to ``market outperform'' from ``strong buy'' as Provenge faces a 50 percent probability of being granted U.S. Food and Drug Administration approval by May 15.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

``Given the risk of pending regulatory action and the recent impressive run by Dendreon shares, we believe the stock could see limited upward momentum," wrote Duncan.

Before today, Dendreon's stock had surged 324 percent since March 29 when the advisory panel to the FDA said Provenge is safe and ``substantially effective."

Provenge would be the company's first approved drug and could generate $1 billion a year in U.S. sales, analysts say. The medicine, designed to train the body's immune system to fight prostate cancer as if it were a virus, would provide a new option for a disease that kills 27,000 men a year in the U.S.

Duncan also increased his share-price forecast for Dendreon by $4 to $24, saying the company's ``take-out" value may reach $2.5 billion.

Shares of Seattle-based Dendreon slumped $2.33, or 11 percent, to $19.82 at 11:07 a.m. in Nasdaq Stock Market composite trading. If the shares close at that level, it would be the stock's steepest decline since Nov. 16, 2006.

Date: Apr 11 2007 11:51:42 Wire: BLOOMBERG News (BN) By Lu Wang
Big Lots, Dendreon, Manor Care, Methode: U.S. Equity Movers

April 11 (Bloomberg) -- The following is a list of companies whose shares are having unusual price changes in U.S. exchanges today. Stock symbols are in parentheses after company names. Share prices are as of 11:40 a.m. New York time.
Dendreon Corp. (DNDN US) fell $2.35, or 11 percent, to $19.80 and traded as low as $19.55. JMP Securities said the rally for the stock may be over following a fourfold increase since a Food and Drug Administration advisory panel recommended its prostate-cancer drug Provenge be approved. Analyst Charles Duncan downgraded Dendreon to ``market outperform" from ``strong buy" as Provenge faces a 50 percent probability of being approved, he said in a note.

Date: Apr 11 2007 12:38:51 Wire: Briefing.com Global Menu (BRF)
DNDN: Dendreon sinks to session lows as it eyes its late Mar high/Apr gap at 18.05/18.28 (18.36 -3.78) [Update] [Technical]

Date: Apr 11 2007 13:21:16 Wire: TheFlyontheWall.com (FLY)
Dendreon-DNDN option implied volatility & volume suggests continued price Swings
DNDN is recently down $2.72 to $19.43. JMPS say's "upside scenarios exist, bit DNDN's near-term valuation nearing the top; downgrading from Strong Buy to Market Outperform, but raising price target from $20 to $24." DNDN Provenge has a May 15th PDUFA date. On 3/29 the FDA Advisory Panel said DNDN's Provenge is safe for prostate cancer. DNDN call option volume of 148,892 contracts compares to put volume of 130,896 contracts. DNDN May option implied volatility is above 200 according to Track Data.

Date: Apr 11 2007 16:07:01 Wire: Business Wire (BUS)
Gene Logic Board Elects Two New Directors

-- David Urdal of Dendreon and Mark Gabrielson of Pulmatrix Add Significant Experience -- Jules Blake, Ph.D., to Retire from Board --

Date: Apr 11 2007 16:13:07 Wire: TheFlyontheWall.com (FLY)
Option Update – April 11, 2007 [MORE]
Volatility Index S&P 500 Options-VIX up .86 to 13.54. Option volume leaders today were: DNDN, NRMX, RIMM & INTC.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					Date: Apr 11 2007 16:13:58 Wire: BLOOMBERG News (BN) By Jeff Kearns **CCA, CheckFree, Dendreon, Nuvelo: U.S. Equity Movers Final** April 11 (Bloomberg) -- The following is a list of companies whose shares had unusual price changes in U.S. exchanges today. Stock symbols are in parentheses Dendreon Corp. (DNDN US) fell $3.92, or 18 percent, to $18.23. JMP Securities said the rally for the stock may be over following a fourfold increase since a Food and Drug Administration advisory panel recommended its prostate-cancer drug Provenge be approved. Analyst Charles Duncan downgraded Dendreon to ``market outperform'' from ``strong buy'' as Provenge faces a 50 percent probability of being approved, he said in a note. *Date: Apr 11 2007 17:02:49 Wire: BLOOMBERG News (BN) By Allen Wan* **Dendreon Falls After JMP Says Rally May Be Over (Update1)** April 11 (Bloomberg) -- Dendreon Corp.'s shares had their biggest decline in more than two years after JMP Securities said the rally for the stock may be over following a fourfold increase since an FDA advisory panel recommended its prostate-cancer drug Provenge be approved. Analyst Charles Duncan, who covers Dendreon for the San Francisco-based brokerage, also downgraded Dendreon to ``market outperform'' from ``strong buy'' as Provenge faces a 50 percent probability of being granted U.S. Food and Drug Administration approval by May 15. ``Given the risk of pending regulatory action and the recent impressive run by Dendreon shares, we believe the stock could see limited upward momentum,'' wrote Duncan. Before today, Dendreon's stock had surged 324 percent since March 29 when the advisory panel to the FDA said Provenge is safe and ``substantially effective.'' Provenge would be the company's first approved drug and could generate $1 billion a year in U.S. sales, analysts say. The medicine, designed to train the body's immune system to fight prostate cancer as if it were a virus, would provide a new option for a disease that kills 27,000 men a year in the U.S. Duncan also increased his share-price forecast for Dendreon by $4 to $24, saying the company's ``take-out'' value may reach $2.5 billion. Shares of Seattle-based Dendreon slumped $3.92, or 18 percent, to $18.23 at 4 p.m. in Nasdaq Stock Market composite trading, the steepest decline since Jan. 11, 2005. *Date: Apr 11 2007 21:57:40 Wire: Washington Service (WSA)* **Kunath Ruth B,Director,Sells 15,000 On 4/10/07 OF DNDN**
4/12/2007	46,326,223	$18.01	-1.21%	(1.65)	*Date: Apr 12 2007 0:54:51 Wire: BLOOMBERG News (BN)* **Nasdaq's Options, SK's Governance, Cancer Stocks: David Wilson** The swings in shares of Dendreon Corp. and Cell Genesys Inc. during the past two weeks show how much value investors put in cancer treatments -- and how difficult it is to judge whether their views are on target. Dendreon almost quintupled in a mere seven days after a Food and Drug Administration advisory panel voted to recommend Provenge, a prostate-cancer drug developed by the Seattle-based company. The surge added $1.5 billion to its market value. ``While the FDA normally heeds the decision of its advisory panel, this particular case may not be clear cut,'' wrote Rahul Jasuja, an analyst at Santa Monica, California-based MDB Capital Group, in a report dated April 10. As the possibility surfaced, the stock

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

tumbled 23 percent in two days.

April 12, 2007 Brean Murray, Carret & Co. – Jonathan Aschoff, Ph.D. [also as April 12, 2007 Morning Insight]
Dendreon Corp. (DNDN/NASDAQ) - We Are Confident The FDA Will Not Approve PROVENGE
Investment Summary
* Companies may request panels. We strongly suspect that Dendreon made a request believing it would have otherwise received only an Approvable Letter mandating positive D9902B survival results.
* The incredible amazing elastic question. There really is not much governing what can be asked of the panel at voting time and Dendreon must now hope that the FDA defines "substantial" the same way that 13 panelists did.
* Patient number insufficient to judge safety. We strongly believe that the number of HRPC patients treated with PROVENGE is not high enough to argue conclusively that PROVENGE's benefits outweigh its risks.
Discussion
* Companies may request panels. Even if the FDA does not schedule an Advisory Panel for a given therapy, the sponsoring company is able to request that a panel meet to weigh the merits of its candidate therapy. We strongly suspect that Dendreon made such a request believing it would have otherwise received only an Approvable Letter mandating positive D9902B survival results. Requesting a panel would be a last-ditch attempt to sway the FDA toward approval, should the panel recommend approval. We also believe that Dendreon's panel comprised a biased group of panelists that are not reflective of the FDA's sentiment. We believe the FDA never wanted a panel but consented because it would show a willingness to discuss openly PROVENGE before rendering judgment in a politically charged case. We believe that Dendreon's CEO sold 200,000 DNDN shares so soon after the panel's decision because he understands the disconnect between the panel's recommendation (i.e., approval) and the FDA's most likely response (i.e., Approvable Letter).
* The incredible amazing elastic question. The FDA charter does not prohibit changing the question from what the FDA specifies in its briefing documents. There really is not much governing what can be asked of the panel at voting time, and Dendreon must now hope that the FDA defines "substantial" the same way that the 13 panelists did. We strongly believe that the FDA will consider Dendreon's dataset to be less than "substantial." We also believe that the only chance D9902B has at demonstrating a survival benefit is at its final analysis in 2010, and therefore that the interim analysis in 2008 has almost no chance of supporting approval.
Patient number insufficient to judge safety. We strongly believe that the number of HRPC patients treated with PROVENGE is not high enough to argue conclusively that PROVENGE's benefits outweigh its risks. If prostate cancer was an orphan disease, and therefore PROVENGE was not potentially to be taken by millions of patients, then perhaps its current dataset would be large enough to evaluate safety sufficiently. We also do not believe the FDA is going to overlook the imbalance in serious CVAs between PROVENGE-treated and placebo-treated HRPC patients. PROVENGE is not without its risks, and we have very little faith that the panel's vote on safety will be mirrored by the FDA. Unlike the FDA, Advisory Panel members are not on the hook when safety issues arise in the marketplace.
* Potential compassionate-use allowance not helpful to investors, either. Based solely on COGS and revenues associated with compassionate-care use, we would expect Dendreon to break even financially at best if it was allowed to offer PROVENGE on a compassionate-use basis. More likely than not, the company would lose money in the process, in our view, thereby increasing its already high cash burn rate.
* Valuation. We reiterate our Sell rating and target price of $1.50, which is based on our lack of faith in PROVENGE approval and our calculated cash per share estimate for 2Q07.
* Risks. Risks applicable to DNDN not achieving our $1.50 target price include: (1) successful product development; (2) successful

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Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					business development; (3) successfully competing; and (4) market risk involving positive share-price trends in the biotech sector in general. *Date: Apr 12 2007 9:43:46 Wire: TheFlyontheWall.com (FLY)* **Most active equity option families in first 10-minutes of Trading** Most active equity option families in first 10-minutes of Trading: RIMM DNDN AAPL AMGN JNJ according to Track Data. *Date: Apr 12 2007 10:33:10 Wire: Income Securities Advisors (BIA)* **Rapid Ratings: Reasons To Trade Dendreon Corp (DNDN) (AS) (2007-04-12) - Rapid Ratings Comment:** Rapid Ratings has changed DENDREON CORP's equity recommendation. *Date: Apr 12 2007 16:06:47 Wire: TheFlyontheWall.com (FLY)* **Option Update – April 12, 2007 [MORE]** Volatility Index S&P 500 Options-VIX down .82 to 12.67. Option volume leaders today were: DNDN, NRMX, RIMM & MEDI.
4/13/2007	21,521,897	$17.25	-4.22%	(2.43)	*04/13/07 Piper Jaffray* **Stock Technigrade Rankings** Dendreon Corp RankNow: 2
4/16/2007	27,792,593	$15.72	-8.87%	(4.25)	*April 16, 2007 Brean Murray, Carret & Co. - Jonathan Aschoff* **Dendreon Corp. (DNDN/NASDAQ) - PROVENGE Panelist Voices Concerns to FDA; Confirms Our Bearish Thesis** Investment Summary * Letter to FDA supports our bearish rationale. Dr. Howard Scher, who had voted against recommending PROVENGE for approval, recently published a letter to the FDA reiterating his vote and outlining his concerns over the panel's recommendation. * Data "mandates" approval be deferred. Dr. Scher's letter systematically reviews the PROVENGE data and the panel's proceedings, citing our same concerns and arriving at our same conclusion: the FDA cannot approve PROVENGE based on data to date, and that the data "mandates" approval be deferred. * Three areas of concern. Consistent with our contentions, Dr. Scher's letter points out the lack of data establishing clear efficacy of PROVENGE, poor trial design, and a concern over varying criteria required for different reviewing committees recommending approval to the FDA. Discussion * Additional points. Dr. Scher references the original publication of the D9901 trial findings, in which the lead investigator states: "PROVENGE may provide a survival advantage… studies are under way to confirm this effect." Like Dr. Scher, we believe this is yet further evidence that the data does not establish efficacy. Furthermore, Dr. Scher believes the absence of other signals of an antitumor effect confirms the failure of the trials. Specifically, he views the lack of data provided on PSA, regression or stabilization of soft-tissue or boney disease radiographically, healthrelated quality of life, or that administration of the product delayed the development of pain as insufficient for approval. * Valuation. We reiterate our Sell rating and target price of $1.50, which is based on our lack of faith in PROVENGE approval and our calculated cash per share estimate for 2Q07.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					* Risks. Risks applicable to DNDN not achieving our $1.50 target price include: (1) successful product development; (2) successful business development; (3) successfully competing; and (4) market risk involving positive share-price trends in the biotech sector in general. *Date: Apr 16 2007 9:44:01 Wire: TheFlyontheWall.com (FLY)* **Most active equity option families in first 10-minutes of Trading** Most active equity option families in first 10-minutes of Trading: DNDN AAPL SLM AMGN according to Track Data. *Date: Apr 16 2007 11:12:27 Wire: TheFlyontheWall.com (FLY)* **Dendreon-DNDN option implied volatility & volume suggests continued price Risk** DNDN is recently down $1.32 to $15.94. DNDN Provenge has a May 15th PDUFA date. On 3/29 the FDA Advisory Panel said DNDN's Provenge is safe for prostate cancer. Brean Murray say's "We reiterate our Sell rating and target price of $1.50, which is based on our lack of faith of PROVENGE approval." DNDN call option volume of 44,976 contracts compares to put volume of 40,024 contracts. DNDN May option implied volatility is above 200 according to Track Data. *Date: Apr 16 2007 15:52:15 Wire: TheFlyontheWall.com (FLY)* **Option Update – April 16, 2007 [MORE]** Volatility Index S&P 500 Options-VIX down .34 to 11.86. Option volume leaders today were: DNDN, NRMX, QCOM and SLM.
4/17/2007	33,934,998	$15.70	-0.13%	0.12	*Date: Apr 17 2007 9:41:42 Wire: TheFlyontheWall.com (FLY)* **Most active equity option families in first 10-minutes of Trading** Most active equity option families in first 10-minutes of Trading: KO USB AAPL DNDN according to Track Data *Date: Apr 17 2007 16:06:15 Wire: TheFlyontheWall.com (FLY)* **Option Update – April 17, 2007 [MORE]** Volatility Index S&P 500 Options-VIX up .11 to 12.09. Option volume leaders today were: DNDN, INTC, YHOO & AAPL.
4/18/2007	13,705,189	$16.01	1.97%	0.97	*Date: Apr 18 2007 12:08:01 Wire: Business Wire (BUS)* **Zacks $100K Challenge 2007 Top Player Interview features Natus Medical, Dendreon Corp., Gilead Sciences, ZymoGenetics and Seattle Genetics** CHICAGO--(BUSINESS WIRE)--April 18, 2007 Zacks.com introduces its $100K Challenge 2007 top player interviews, which feature insights from the leaders of the Zacks Simulator game. This year the Simulator's $100K Challenge allows investors to prove their stock picking abilities by competing directly against other players for a possible $100,000 contract with Zacks Jim Treyens (aka Seatac) describes himself as diversified and eclectic when it comes to trading stocks. This Simulator player will also employ aggressive strategies if needed. "Some of my stocks should have potential for explosive growth, kind of like a venture capital fund that knows it won't make money on eight of ten investments but can make a whole lot of money on one or two," mentioned Jim. His current Zacks $100K Challenge stocks include Natus Medical Inc. (Nasdaq: BABY), Dendreon Corp. (Nasdaq: DNDN), Gilead Sciences Inc. (Nasdaq: GILD), ZymoGenetics, Inc. (Nasdaq: ZGEN) and Seattle Genetics Inc. (Nasdaq: SGEN). Click here for the

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					full story exclusively on Zacks.com: http://at.zacks.com/?id=2518. Highlights from the April 12 interview include: How does he know what to buy? "I look for companies that either have the potential for explosive growth, or sustained growth based on product, market, and quality management," replied Jim. His current Zacks $100K Challenge stocks include Natus Medical Inc. (Nasdaq: BABY), Dendreon Corp. (Nasdaq: DNDN), Gilead Sciences Inc. (Nasdaq: GILD), ZymoGenetics, Inc. (Nasdaq: ZGEN) and Seattle Genetics Inc. (Nasdaq: SGEN). Click here to check out this competitor's entire portfolio: http://at.zacks.com/?id=3314.
4/19/2007	9,611,477	$15.49	-3.25%	(1.85)	*Date: Apr 19 2007 13:31:37 Wire: BLOOMBERG News (BN) By Eric Martin* **Dendreon Burns Short Sellers After FDA Panel's Vote on Provenge** April 19 (Bloomberg) -- Dendreon Corp. shares surged to a record last week, burning so-called short sellers who bet the drug developer's prostate cancer treatment would fail to win backing from U.S. regulators. Shares of the Seattle-based biotechnology company jumped more than fivefold to $23.58 since March 12, the date of last month's short-sale statistics from the Nasdaq Stock Market. More than a third of Dendreon shares available for trading were sold short, or borrowed and sold to profit from falling prices. Clinical trials showed the drug, Provenge, failed to slow the cancer's progression even as it increased patients' survival. Of nine analysts tracked by Bloomberg who covered Dendreon, four rated the stock ``sell,'' three ``hold'' and two ``buy'' before a panel advising the U.S. Food and Drug Administration recommended approval of the treatment March 29. Dendreon's stock more than doubled the following day. ``I saw analysts say there's absolutely no chance the committee will vote in favor of this product,'' said Dan Veru, who helps manage $2.8 billion at Palisade Capital Management in Fort Lee, New Jersey. ``People were so negative. They got crushed.'' Palisade bought 100,000 shares for $4.50 each in December and sold them at about $16 after the FDA panel's decision, making a threefold profit, Veru said. About 26.4 million of Dendreon's 76.6 million shares available for trading were sold short last month, double the number in December, according to data compiled by Bloomberg. The New York Stock Exchange and American Stock Exchange will report April short-interest figures after the close of trading today. The Nasdaq, where Dendreon is listed, will follow on April 25. First Treatment The FDA usually follows advice from its advisory panel in approving drugs for sale, though it isn't required to do so. The FDA's deadline to complete the Provenge review is May 15. The drug is the first treatment to stimulate the body's immune system against tumor cells. By treating the cancer as if it were a virus, Provenge provides a new option for a disease that kills 27,000 men a year in the U.S. Four of the 17 FDA panelists voted Dendreon's trials lacked evidence to show Provenge was ``substantially effective,'' the FDA's statutory requirement for approval. Still, the panel unanimously endorsed the drug's safety. Short sellers were squeezed because they didn't account for the committee's willingness to give patients the choice of a drug that may not help treat the cancer but can't hurt either, Rahul Jasuja, a New York-based analyst for the MDB Capital Group brokerage, said. `A Safe Drug' ``There was almost a desire by the panel to say to the FDA: `This is a safe drug and there's no other therapy, so the ball is now in your court,'" said the New York-based analyst, who has a ``neutral'' rating on Dendreon.

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					Provenge, which would be Dendreon's first approved drug, could generate $1 billion a year in U.S. sales, said David Miller, president of Biotech Stock Research, an independent equity research firm in Seattle. Dendreon said the medicine's failure to slow the spread of tumor cells may be because it can take weeks for Provenge to charge up the immune system. The company is currently enrolling patients for a third trial designed to measure the drug's survival benefit. The results won't be available until 2010. Some analysts are still calling for Dendreon shares to fall. JMP Securities LLC on April 11 said the stock's rally may be over. Provenge faces a 50 percent probability of approval by the FDA deadline, said Charles Duncan, an analyst at the San Francisco-based brokerage, who cut the stock to ``market outperform'' from ``strong buy.'' The shares plunged 18 percent and have lost as much as 33 percent from their highs. Approvable Letter Because the drug didn't impede the spread of the cancer, the FDA also may choose to issue an approvable letter, MDB Capital's Jasuja said. That would entail waiting for results of Dendreon's third trial before approving the drug. He estimates an approvable letter would push the stock down to less than $7 a share. Insider sales of the stock may be another bearish sign. Dendreon Chief Executive Officer Mitchell Gold on April 2 unloaded about 202,000 shares, or almost 20 percent of his personal holdings of Dendreon stock and options, Dendreon spokeswoman Monique Greer said in a telephone interview. The sales were at about $13.46 a share, according to a filing with the Securities and Exchange Commission. `Disconnect' ``It indicates he understands the disconnect'' between the panel's positivity and what the FDA may eventually decide, said Jonathan Aschoff, an analyst with Brean Murray Carret & Co. in New York. Short sellers will ``make most of that money back,'' he said. Aschoff has rated the stock a ``sell'' since November 2004 and expects the shares to fall to $1.50. *Date: Apr 19 2007 15:54:02 Wire: TheFlyontheWall.com (FLY)* **Option Update – April 19, 2007 [MORE]** Volatility Index S&P 500 Options-VIX up .36 to 12.78. Option volume leaders today were: GOOG, MOT, AMGN, DNDN & EBAY.
4/20/2007	10,001,085	$15.09	-2.58%	(1.54)	*04/20/07 Piper Jaffray* **Stock Technigrade Rankings** Dendreon Corp Rank Now: 1
4/23/2007	36,944,335	$16.78	11.20%	4.04	*Date: Apr 23 2007 16:15:36 Wire: TheFlyontheWall.com (FLY)* **Option Update – April 23, 2007 [MORE]** Volatility Index S&P 500 Options-VIX up .95 to 13.02. Option volume leaders today were: DNDN, NRMX, MEDI & VLO *April 23, 2007 Banc of America Securities - William T. Ho* **Dendreon Corporation - Provenge Approval Likely as Politics is a Factor; Efficacy a Question** * We anticipate an approval decision on Provenge by May 15th, under the condition of completing the Ph III IMPACT trial, and expect potential stock price appreciation in the near term. This view is based on our recent interviews with an ex-FDA general counsel,

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Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

a regulatory executive in a major pharmaceutical company and CBER panel members.
* Despite questionable statistical data, the decision remains highly political and given the safety profile, CBER appears motivated to approve additional products to stimulate R&D activities in cancer immunotherapy. We note that Jesse Goodman, Director of CBER, appears to have influenced Celia Witten to “lower the bar” by changing the efficacy question during the initial advisory panel voting and believe it is a good indicator of CBER’s intentions.
* Our interviews indicate that dual pathways and standards have always existed between CDER and CBER. Further, we note that Dr. Andrew von Eschenbach, Commissioner of FDA, has had a hands-off approach on drug approvals. Thus, we understand it would be very significant for Steve Galson the Director of CDER, to escalate any objections from Richard Pazdur, the head of ODAC under CDER, to the Commissioner. Further, this would also likely set a negative precedent inside the FDA which consists of six independent organizations.
* We understand that DNDN is well prepared for a potential launch and believe Provenge can be out on the market by late 2007. If approved, we see potential upside to our TP to $29 and if an approvable letter is received potential downside to $6. We are maintaining our neutral rating and TP due to our cautious view on the long term outcome of the IMPACT trial.
* Valuation and Target Price Analysis: We utilize a sum-of-the-parts valuation strategy to calculate an appropriate risk-adjusted valuation. Portfolio Managers’ Summary
* Our 12-month thesis on the stock. We anticipate an approval decision on Provenge by May 15th, under the condition of completing the Ph III IMPACT trial. We expect this will drive stock price appreciation in the near term. We understand that DNDN is well prepared for a potential launch and believe Provenge can be out in the market in 2H07, if approved. However, we remain cautious about the outcome of the IMPACT trial and believe the data can be non-confirmatory on either efficacy or safety.
* Our call today in a nutshell. We anticipate an approval decision on Provenge under the condition of completing the Ph III IMPACT trial. We believe CBER is highly motivated to increase the organization’s relevance by approving additional cancer vaccines. In addition, CBER wants to “lower the bar” to stimulate R&D activities on cancer immunotherapy. We note that Jesse Goodman, Director of CBER, appears to have influenced Celia Witten to change the efficacy question during the first voting round and believe it is a good indicator of CBER’s intention.
* Upcoming catalysts. (1) May 15, 2007: PDUFA date for Provenge. (2) Additional P11 data either at AUA (May 19-24, 2007) or at ASCO (June 1-5, 2007). (3) 2007: Complete enrollment of IMPACT phase III trial. (3) 2008: Interim survival data from IMPACT trial.
* 12-month valuation. We utilize a sum-of-the-parts valuation strategy to calculate an appropriate risk-adjusted valuation.
* Risks to our call. (1) "Approvable letter" by the FDA or negative data from IMPACT study would have adverse effect on our valuation; (2) Failure of IMPACT trial would impact our revenue assumptions.

Investment Considerations

To gain insight on the May 15th FDA PDUFA decision on Provenge, we contacted experts including CBER advisory panel members, an ex-FDA general counsel, and a regulatory executive in a major pharmaceutical company. These in-depth interviews helped us to understand the politics behind the upcoming decision and we now believe the FDA will most likely approve Provenge. We assign 2:1 (66%) probability to the approval. Longer term, we are maintaining our Neutral rating due to our cautious view on the outcome of the IMPACT trial. We believe the data will likely miss the interim analysis in mid-2008 and can be non-confirmatory on either efficacy or safety upon completion in 2010.

CBER Wants to Approve Provenge

According to a text on the FDA regulatory process by M. Mathieu (2005), typically the FDA review division makes an internal preliminary approval decision before an advisory committee meeting. Although the panel member we interviewed denied any attempt

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by the FDA to influence the committee members this time, some FDA insiders even claim that the FDA "prepares" the committee members during a pre-panel meeting.

Mathieu indicates that in most cases, the FDA calls for an advisory committee meeting (1) to gain additional insights on specific issues such as appropriate dosing, labeling, or the need for follow-up studies; and (2) to gain support with the panel's recommendation to feel more "comfortable" with its internal decision.

We believe the fact that the FDA changed its efficacy question on Provenge after six members already completed their votes demonstrates that the FDA wants to approve Provenge. We remind investors that in this area, the Center for Biologics Evaluation and Research (CBER) is the FDA. This view is confirmed by our panel member, who recalled that the committee members were aware of Dr. Jesse Goodman, MD, MPH, Director of CBER, passing notes to Dr. Celia Witten, MD, Ph.D., the head of CBER's Office of Cellular, Tissue and Gene Therapies group, after the first three panel members voted "no". Consequently, Dr. J. Mule, chairman of the panel, stopped the voting process and asked for a clarification of the efficacy question to Dr. Celia Witten, who changed the question from "Does the submitted data establish the efficacy of sipuleucel-T in the intended population?" to "Does the submitted data provide substantial evidence of efficacy of sipuleucel-T in the intended population?" Although subtle, the change implied lower standard on efficacy to panel members and eventually 13 members voted "yes" on the efficacy question.

In addition, we believe there are political reasons for CBER wanting to approve Provenge. First, CBER is a relatively new organization and cancer vaccines are the only products CBER has an authority to approve. We believe CBER would like to have more products in the market to maintain its relevance within the agency. Second, immunotherapy is a new field and its mechanism of action is not yet completely understood. CBER management may have felt that lowering the bar is necessary to encourage R&D and to bring more immunotherapy options to the market. We believe this view is supported by comments made during the panel such as those by Dr. Francesco Marincola, MD (NIH, Director of Immunogenetics Laboratory), "We are opening a new field. Even if we make a mistake, even if the therapy is not this effective, there is so much to learn by starting to see patients being treated with this and see what else can be added. We should not underestimate the importance of this decision. I don't think it's just about the drug and what the drug does, but it's about opening a field, and the investigation on that field. Being harsh on Provenge would be missing the point."

This is CBER's Decision

Provenge will be reviewed by CBER review committee and we believe an approval is highly likely when the Director of CBER supports the approval. We have heard investors note that the CBER approval standard appears to be lower than that of CDER. However, we note that dual pathways and standards between CBER and CDER have always existed. As witnessed by the strong negative reaction from the only Office of Oncology Drug Products representative on the panel, Dr. Maha Hussain, MD, we believe CDER would be against approving Provenge and that Dr. Richard Pazdur, MD, Director of ODAC, would strongly oppose the approval. However, our interviews indicate that this falls outside of Pazdur's jurisdiction and that it is highly unlikely for Dr. Steven Galson, Director of CDER, to escalate any appeal to Dr. Andrew von Eschenbach, Commissioner of the FDA. For one thing, it would set a precedent of one department trying to influence another and we suspect that such attempt will not be supported by other departments inside the agency. We also note that, according to our FDA contact, Andrew von Eschenbach thus far has had a hands-off approach to drug approvals.

It's About Politics, Not Science

We would agree that the Provenge efficacy data are not convincing and that an approval solely based on the clinical data is a stretch. Even among advisory panel members, there were serious concerns and discussions surrounding the actual efficacy of Provenge. However, as we outlined earlier, CBER seems to be motivated to approve another cancer vaccine and CDER does not play a role in CBER's decision. In addition, our interviews demonstrate that the issue of prostate cancer is highly politicized. Increasing numbers of influential men suffer from prostate cancer and the disease has gained some powerful advocates, including several members of

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Congress. Prostate cancer advocates and lobbying groups strongly believe that Hormone Refractory Prostate Cancer (HRPC) patients need alternative therapeutics other than cytotoxic therapies. According to the panel member we interviewed, the fact that the target population has short life expectancy with few treatment option weighed in their minds when they voted for safety issue of Provenge. We believe similar considerations will be given in an approval decision.

We anticipate an approval by the May 15th PDUFA data with a condition to complete the Phase III IMPACT study to evaluate safety and long-term effectiveness.

Dendreon is Prepared for Commercialization

According to Mitchell Gold, CEO of Dendreon, the FDA is committed in making the decision by the May 15th PDUFA date. We also learned that the New Jersey manufacturing facility has the capacity to manufacture $1 billion in Provenge sales and as of now, it is built up to handle 25% of the full capacity. The Vice President of Sales and Marketing is experienced in the prostate cancer market and Dendreon currently has a 100-person sales force with a support team of 30 people. If approved, Dendreon plans to launch Provenge in the U.S., targeting approximately 9,000 major oncologists and urologists. Dendreon plans to find a partner outside the U.S.

Longer Term We Remain Cautious about the Effectiveness of Provenge

We believe Dendreon will be required to complete the Phase III IMPACT trial even if Provenge receives an approval this time. Although our interviews lead us to believe that Provenge will obtain an approval letter, this conclusion is based on politics and not on any the overwhelming data suggesting efficacy. We are concerned about several issues with the data released in the FDA advisory panel documents that suggests there is a significant risk of the IMPACT trial not being successful.

Effectiveness.

We are not convinced about the effectiveness of Provenge based on the following problems with the current data including; (1) Questionable survival benefit – Both trials did not meet their primary endpoint and the post-hoc survival benefit does not exclude the possibility that the survival difference observed may have occurred by chance alone. Because survival was not prospectively defined, the statistical briefing document demonstrates that ten patients were excluded due to missing covariate data.

These ten patients represent approximately 8% of patients from the study and point to a benefit to those patients on the drug arm as the excluded Provenge patients had a median survival of 19.7 months compared to 22.1 in the placebo cohort; (2) Questionable validity of the findings - No anti-tumor effect, such as changes on PSA, radiographic regression or stabilization of soft-tissue or bone metastasis, health related quality of life, or delayed development of pain, were measured or analyzed; and (3) Flawed randomization – Provenge arm had a higher percentage of patients with lower Gleason score (11.2% more patients with the score less than 6 in the Provenge arm) at the time of diagnosis and a lower percentage of patients with both bone and soft tissue metastasis at the time therapy (52% in Provenge arm vs. 69% in Placebo arm), which could have contributed positive outcome of the Provenge arm. Given that the company has now changed the protocol of the IMPACT trial and is no longer excluding patients with higher Gleeson scores, this could negatively impact future outcomes.

Safety. In addition, the newly disclosed high CVA (cerebrovascular accidents) incidents in Provenge arm raised our concerns about the safety. The investigators of the clinical trials do not understand how Provenge works (or whether it works or not) or if Provenge might have induced CVAs. Although the incidence was not statistically significant in those two studies, we note that the patient population was very small (n= 300) and once Provenge is used among larger number of patients, safety might become an issue with Provenge. When we questioned a panel member about the safety vote during our interview, he mentioned that most of the panel members felt that the slight increase of CVA incidents among androgen-independent prostate cancer patients who do not have many treatment alternatives did not weigh too much in their minds.

However, he also indicated that after the panel meeting, many committee members shared their safety concerns about the product in

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					earlier stage prostate cancer patients, and questioned whether it should be used off-label. We maintain our target price at $20 Based on our conversation with experts, we made changes in our Provenge market model but our risk-adjusted target price remains at $20. Our assumptions are; (1) Dendreon will start marketing Provenge in 2H07; (2) The market size for Provenge target population, asymptomatic AIPC patients with metastasis, is approximately 55,000 in the U.S. per DNDN guidance; (3) Provenge market penetration will be aggressive due to the lack of other treatment options for the target population and some off-label use; (4) Market share will peak in 2011 and will slow down after due to competition; (5) Given recent concerns about drug pricing, we estimate that Provenge could sell at $37,500 per course, or a 25% discount to what appears to be the price ceiling for biologics, $50,000. We also modeled a 25% price discount for European sales relative to the U.S.; (6) Dendreon will share ex-U.S. revenue 70-30 with its partner starting 2008; (7) We risk adjusted our model for a 100% chance of approval, discounted at a rate of 15%; and (8) We also assumed that DNDN will issue 5,000 additional shares in 3Q07 to finance sales and manufacturing expense. Risks to Our Call Provenge May Receive an Approvable Letter Although our research indicated that an approval is highly likely, this remains a highly binary event and the FDA may decide to wait until the completion of IMPACT trial. Dendreon has enrolled about 400 patients at this point. If Dendreon completes enrollment in the trial in 2H07, we expect preliminary interim analysis data in mid 2008 and full data sometime in 2010 or 2011 depending on the event rate.
4/24/2007	24,491,114	$17.07	1.73%	0.93	*April 24, 2007 Banc of America Securities - William T. Ho* **Dendreon Corporation - Updated Model** * We updated our model. We anticipate an approval decision on Provenge by May 15th, under the condition of completing the Ph III IMPACT trial and expect potential stock price appreciation in the near term. This view is based on our recent interviews with industry sources. * Despite questionable statistical data, the decision remains highly political and given the safety profile, CBER appears motivated to approve additional products to stimulate R&D activities in cancer immunotherapy. We note that Jesse Goodman, Director of CBER, appears to have influenced Celia Witten to “lower the bar” by changing the efficacy question during the initial advisory panel voting and believe it is a good indicator of CBER’s intentions. * Our interviews indicate that dual pathways and standards have always existed between CDER and CBER. Further, we note that Dr. Andrew von Eschenbach, Commissioner of FDA has had a hands-off approach on drug approvals. Thus, we understand it would be very significant for Steve Galson the Director of CDER to escalate any objections from Richard Pazdur, the head of ODAC under CDER to the Commissioner. Further, this would also likely set a negative precedent inside the FDA which consists of six independent organizations. * We understand that DNDN is well prepared for a potential launch and believe Provenge can be out on the market by late 2007. If approved we would review our TP while an approvable letter would have an adverse affect on our valuation. We are maintaining our neutral rating and TP. * Valuation and Target Price Analysis: We utilize a sum-of-the-parts valuation strategy to calculate an appropriate risk-adjusted valuation. Portfolio Managers’ Summary * Our 12-month thesis on the stock. We anticipate an approval decision on Provenge by May 15th, under the condition of completing the Ph III IMPACT trial. We expect this will drive stock price appreciation in the near term. We understand that DNDN is well

prepared for a potential launch and believe Provenge can be out in the market in 2H07, if approved. However, we remain cautious about the outcome of the IMPACT trial and believe the data can be non-confirmatory on either efficacy or safety.
* Our call today in a nutshell. We anticipate an approval decision on Provenge under the condition of completing the Ph III IMPACT trial. We believe CBER is highly motivated to increase the organization's relevance by approving additional cancer vaccines. In addition, CBER wants to "lower the bar" to stimulate R&D activities on cancer immunotherapy. We note that Jesse Goodman, Director of CBER, appears to have influenced Celia Witten to change the efficacy question during the first voting round and believe it is a good indicator of CBER's intention.
* Upcoming catalysts. (1) May 15, 2007: PDUFA date for Provenge. (2) Additional P11 data either at AUA (May 19-24, 2007) or at ASCO (June 1-5, 2007). (3) 2007: Complete enrollment of IMPACT phase III trial. (3) 2008: Interim survival data from IMPACT trial.
* 12-month valuation. We utilize a sum-of-the-parts valuation strategy to calculate an appropriate risk-adjusted valuation.
* Risks to our call. (1) "Approvable letter" by the FDA or negative data from IMPACT study would have adverse effect on our valuation; (2) Failure of IMPACT trial would impact our revenue assumptions.

Date: Apr 24 2007 7:46:03 Wire: Briefing.com Global Menu (BRF)
DNDN: Dendreon: Provenge approval likely, provenge may be approved by May 15, according to BofA --Bloomberg (16.78) [Update]

Date: Apr 24 2007 8:53:14 Wire: BLOOMBERG News (BN) By Alexander Ragir
Alcan, AT&T, Dendreon, SanDisk, Whirlpool: U.S. Equity Preview
April 24 (Bloomberg) -- The following is a list of companies whose shares may have unusual price changes in U.S. exchanges today. This preview includes news that broke after exchanges closed yesterday. Stock symbols are in parentheses after company names. Share prices are as of 8:15 a.m. New York time.
Dendreon Corp. (DNDN US) added $1.11, or 6.6 percent, to $17.89 in trading before the open of U.S. exchanges. The biotechnology company is likely to have its Provenge prostate cancer drug approved by the U.S. Food and Drug Administration by May 15, Banc of America analyst William T. Ho wrote in a note. The FDA may approve the immunotherapy in order to stimulate research and development of additional cancer drugs, Ho said, noting that Provenge could be on the market in ``late 2007."

Date: Apr 24 2007 10:06:39 Wire: Briefing.com Global Menu (BRF)
Briefing.com: Live Upgrades/Downgrades
COVERAGE REIT/PRICE TGT CHANGED*

Company	Brokerage Firm	Ratings Change	Target
Dendreon (DNDN)	JMP Securities	Mkt Outperform	$24 >> $26

Date: Apr 24 2007 10:13:27 Wire: Briefing.com Global Menu (BRF)
DNDN: Dendreon: Several factors increase likelihood of BLA receiving FDA approval - JMP Securities (17.45 +0.67) [Update]
JMP says that with Provenge's May 15 PDUFA date in sight, their diligence has uncovered several factors that they believe increase the likelihood of the B.L.A receiving FDA approval. They point to the high percentage of FDA decisions that agree with the advisory committee's recommendation, Andrew von Eschenbach's recent comments at the N.C.I Cancer Vaccine Consortium, other drug approvals that missed their primary endpoint, and the ability of the FDA to require post-marketing trials as outlined by the guidelines

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posted on the C.D.E.R and C.B.E.R website (Feb 2006). Based on these factors, they are raising their expectations of an FDA approval from 50% to 70% probability and decreasing their expectations of an approvable from 50% to 30% probability.

Date: Apr 24 2007 15:59:15 Wire: Briefing.com Global Menu (BRF)
DNDN: Dendreon: Letter of approval for Provenge could aid buyout chances - FT's MergerMarket (17.08 +0.30) [Update]

Date: Apr 24 2007 16:02:34 Wire: TheFlyontheWall.com (FLY)
Option Update – April 24, 2007 [MORE]
Option Update – April 24, 2007 Volatility Index S&P 500 Options-VIX up .11 to 13.15. Option volume leaders today were: DNDN, NRMX, AAPL, AMD & QCOM.

April 24, 2007 JMP Securities - Charles C. Duncan, Felicia Miller, Ashley Mlinac
Dendreon Corporation - Increased Conviction on Provenge Approval, Raising Price Target to $26
INVESTMENT HIGHLIGHTS
* Increased conviction on Dendreon's Provenge approval with upside potential outweighing downside risk; reiterate Market Outperform and raising price target from $24 to $26. With Provenge's May 15 PDUFA date in sight, our diligence has uncovered several factors that we believe increase the likelihood of the BLA receiving FDA approval. We point to the high percentage of FDA decisions that agree with the advisory committee's recommendation, Andrew von Eschenbach's recent comments at the NCI Cancer Vaccine Consortium (February), other drug approvals that missed their primary endpoint, and the ability of the FDA to require post-marketing trials as outlined by the guidelines posted on the CDER and CBER website (Feb 2006). Based on these factors, we are raising our expectations of an FDA approval from 50% to 70% probability and decreasing our expectations of an approvable from 50% to 30% probability. In addition, we conducted a probabilityadjusted NPV valuation of DNDN shares given different FDA outcomes. Given current trading levels, our analysis shows that the worst-case scenario (100% probability of approvable) presents minimal to no downside risk, whereas the best-case scenario (100% probability of approval) could still yield significant upside for investors. Using a probability-adjusted NPV calculation of Provenge sales based on our new probability expectations (70% approval, 30% approvable) discounted for execution risk at 20% annually, we arrive at a $26 price target, up from $24.
* Factors that raise our confidence in an FDA approval for Provenge. There are several reasons why we have enhanced confidence in Provenge receiving an approval. First, we estimate between 90%-95% of all panel recommendations are followed in the FDA's final decision on a drug's application. Based on the advisory committee's strong support for Provenge's safety and efficacy, we expect the FDA will more than likely come to a decision in line with the panel's strong endorsement. Secondly, at the FDA-NCI sponsorec workshop on cancer vaccines and immunotherapies (Feb 8-9), Commissioner of the FDA, Andrew von Eschenbach's keynote address highlighted survival as the key endpoint in immunotherapy trials, which we believe could be the prevailing sentiment at the FDA. In addition, we point to two drugs, Alimta for second-line NSCLC and Taxotere for metastasized breast cancer, which received accelerated approvals in August 2004 and May 1996, respectively, based on better safety profiles, the likelihood of improving survival, and high unmet medical need while missing their intended primary efficacy endpoints. Lastly, with the guidelines of post-marketing commitments clearly outlined, we expect the FDA can feel secure in approving a drug while still requesting that post-marketing trials be conducted, such as the case with Millennium's (MLNM – Market Perform) Velcade.
* Probability-adjusted valuation shows little downside risk with plenty of room for upside. We conducted a probability-adjusted NPV analysis of Provenge revenues based on our previous assumptions of addressable patient populations and peak market penetration. We assume a peak penetration of 25% in the hormone refractory prostate cancer market and a 10% peak penetration in hormone dependent

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					prostate cancer market. Our revenue estimates extend to 2015 when Provenge's patent expires, and we assume an annual cost in the $30,000 range. Based on these parameters and discounted 20% annually for execution risk, we derive $30 per share with our bestcase scenario (100% probability of an approval), a 79% increase over the latest trading session. We see the worst-case scenario being a 100% probability of an approvable, which is made up of a 70% probability of being able to submit data in one year and a 30% probability of submitting data in three years. Our assumptions are based on an interim analysis written into the SPA-backed IMPACT protocol, which we assume is close to complete enrollment. We have low expectations that the company will need to complete the trial to get final efficacy data for an approval, which we estimate would take about three years. In this scenario, we arrive at $19 per DNDN share, which is still 13% higher than the current price. Given our enhanced conviction in Provenge receiving an approval (70% probability) compared to an approvable (30% probability, made up of 20% probability submitting in one year and 10% probability of submitting in three years), discounted at 20%, we arrive at a $26 price target. Investment Risks Given Dendreon is still in the development stage with no approved products, the risks to an investment in the stock include uncertainty regarding whether its product pipeline can progress into later-stage trials and eventually receive marketing approval from the regulatory agencies. In addition, the company faces financial risk based on the fact that it is currently unprofitable and our expectation is that it will remain unprofitable for the next few years.
4/25/2007	11,430,175	$16.80	-1.58%	(1.27)	*April 25, 2007 Leerink Swann & Co. - Howard Liang, Mark Hochstetler* **Health Care Equity Research** Provenge (Dendreon, DNDN). The MEDACorp consultant was highly skeptical of Provenge's clinical benefit. The consultant indicated that he would not prescribe the treatment to his patients even if it is approved. The consultant commented that many medical oncologists held a similar view, which is exemplified by a letter to the FDA, opposing the approval of Provenge, by Dr. Howard Scher, who is a well-known opinion leader in prostate cancer and a member of the FDA panel. In our conversations with other MEDACorp consultants, we've had a similar experience that medical oncologists, at least those in leading academic centers, tended to be critical of Provenge, although it is our impression that community urologists are much more open-minded about Provenge and would welcome a new agent. *April 25, 2007 Brean Murray, Carret & Co. - Jonathan Aschoff, Ph.D.* **Dendreon Corp. (DNDN/NASDAQ) - Notes Matter More Than Votes Investment Summary** * FDA focuses more on panelists' written notes than their actual votes for or against approval of a therapy. We believe that the panelists that voted yes to the modified efficacy question had written notes that were more conservative than their votes. Therefore, we believe that more conservative notes will incline the agency to await the results of the IMPACT trial before any chance of approval is considered. We believe that an Approvable Letter is the most appropriate FDA response, and that such a response will drive the share price into the single digits. * Panel can change question as per federal regulations. It is our belief that the panel chairperson consulted with Celia Witten (who consulted with CBER director Jesse Goodman) regarding the ability of the panel to alter the question, rather than Goodman actively advocating changing the question. The panel is a relatively independent body that has the freedom to explore avenues of questioning that may not be in line with what mostly concerns the FDA. Therefore, we do not believe that the agency will issue anything more positive than an Approvable Letter that requires a positive survival result from the IMPACT trial. * FDA heeds panel recommendation less often than is widely believed. The only published study on the correlation between Advisory Panel outcome and FDA decision indicates a 72% hit rate. Peter Lurie's study was commented on in the December 2006

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					edition of Lancet, and he notes that 72% of the time the FDA actually approves outright a therapy of which the panel voted in favor. The 90-95% rates often quoted include both outright approvals and Approvable Letters, and also include all panels, regardless of whether the FDA or the sponsor advocated having the panel. * Valuation. We reiterate our Sell rating and target price of $1.50, which is based on our lack of faith in PROVENGE approval and our calculated cash per share estimate for 2Q07. * Risks. Risks applicable to DNDN not achieving our $1.50 target price include: (1) successful product development; (2) successful business development; (3) successfully competing; and (4) market risk involving positive share-price trends in the biotech sector in general. *Date: Apr 25 2007 9:27:16 Wire: Briefing.com Global Menu (BRF)* **DNDN: Dendreon: Brean Murray believes panelists notes more conservative than their votes (17.07)** Brean Murray believes that the panelists that voted yes to the modified efficacy question for DNDN had written notes that were more conservative than their votes. Therefore, firm believes that more conservative notes will incline the agency to await the results of the IMPACT trial before any chance of approval is considered. They believe that an Approvable Letter is the most appropriate FDA response, and that such a response will drive the share price into the single digits. Firm does not believe that the agency will issue anything more positive than an Approvable Letter that requires a positive survival result from the IMPACT trial. Firm reiterates their Sell rating and target price of $1.50, which is based on their lack of faith in PROVENGE approval and calculated cash per share est for 2Q07. *Date: Apr 25 2007 16:16:22 Wire: TheFlyontheWall.com (FLY)* **Option Update – April 25, 2007 [MORE]** Volatility Index S&P 500 Options-VIX up .08 to 13.21. Option volume leaders today were: AMZN, NRMX, AAPL & DNDN.
4/26/2007	20,907,025	$15.45	-8.04%	(3.90)	*Date: Apr 26 2007 13:42:21 Wire: Briefing.com Global Menu (BRF)* **DNDN: Dendreon weakness over past hour attributed to Forbes.com story titled "Doctor Voices Dendreon Doubts" (15.55 -1.25) [Update** *Date: Apr 26 2007 16:00:18 Wire: TheFlyontheWall.com (FLY)* **Option Update – April 26, 2007 [MORE]** Option Update – April 26, 2007 Volatility Index S&P 500 Options-VIX down .37 to 12.84. Option volume leaders today were: AMZN, DNDN, AAPL & BMY. *Date: Apr 26 2007 17:56:22 Wire: PR Newswire: U.S. (PRN)* **HealthShares(TM) Announces Changes to the HealthShares(TM) Dermatology & Wound Care, Emerging Cancer, and Composite** Indexes NEW YORK, April 26 /PRNewswire/ -- HealthShares(TM) Inc., an investment company with a series of 20 underlying fund portfolios, today announced it has been informed by Standard & Poor's, the calculating agent for the HealthShares(TM) Indexes, that effective at the opening of trading on Monday April 30, 2007, Integra Life Sciences (Nasdaq: IART) will replace Merck Serono (NYSE: SRA) in the HealthShares(TM) Dermatology and Wound Care Index; and XOMA Ltd. (Nasdaq: XOMA) will replace Merck Serono in the HealthShares(TM) Emerging Cancer Index. Additionally, Dendreon Corp. (Nasdaq: DNDN) will replace Merck Serono

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					in the HealthShares(TM) Composite Index. The remaining public interest in Merck Serono was acquired by its parent company Merck KGaA.
4/27/2007	9,688,017	$15.15	-1.94%	(0.46)	*Date: Apr 27 2007 0:26:09 Wire: BLOOMBERG News (BN)* **Miller, Biotech Analyst, Sees 80% Chance of Provenge Approval** April 27 (Bloomberg) -- David Miller, president of Biotech Stock Research LLC, an independent equity research firm in Seattle, talked with Bloomberg's Bob Hoenig yesterday about the prospects for Dendreon Corp.'s experimental prostate cancer drug. The drug, called Provenge, is the first of a new class designed to trigger the body's immune system to attack tumors. *Date: Apr 27 2007 7:25:02 Wire: TheFlyontheWall.com (FLY)* **Dendreon-DNDN option implied volatility suggests Large Risk into PDUFA** DNDN closed at $15.45. DNDN Provenge has a May 15th PDUFA date. On 3/29 the FDA Advisory Panel said DNDN's Provenge is safe for prostate cancer. DNDN May option implied volatility is above 210 according to Track Data, suggesting large risk. *04/27/07 Piper Jaffray* **STOCK TECHNIGRADE RANKINGS** Dendreon Corp Rank Now: 2 *Date: Apr 27 2007 16:09:31 Wire: TheFlyontheWall.com (FLY)* **Option Update – April 27, 2007 [MORE]** Volatility Index S&P 500 Options-VIX is down .30 to 12.49. Option volume leaders today were: AMZN, NRMX, GE, AAPL & DNDN. *Date: Apr 27 2007 16:37:17 Wire: BLOOMBERG News (BN) By Luke Timmerman* **Dendreon Short Sellers Bet Drug Won't Win Approval (Update3)** April 27 (Bloomberg) -- Dendreon Corp. shares are being sold short at a record pace as some investors bet the company's experimental prostate cancer drug will fail to win approval from U.S. regulators. About 44 percent of Dendreon shares as of mid-April were sold short, according to Nasdaq Stock Market data compiled by Bloomberg. The sellers are speculating the stock will fall, after tripling since March 29 when advisers to the U.S. Food and Drug Administration recommended approval of the medicine. The drug, called Provenge, is the first of a new class designed to trigger the body's immune system to attack tumors. While Provenge prolonged lives of patients with advanced prostate cancer in one study presented to the panel, the drug didn't meet the trial's primary goal of slowing the spread of the disease. ``Some people are assuming the FDA won't listen to the panel'' because of the discrepancy in the study findings, said David Miller, president of Biotech Stock Research, an independent equity research firm in Seattle. The short-selling is up 28 percent from mid-March and double the amount in January. It's the second-biggest increase on the Nasdaq this month, after ON Semiconductor Corp., a maker of computer chips in Phoenix. Short-sellers try to profit by borrowing stock, selling it, buying back cheaper shares later and pocketing the difference. Shares of Seattle-based Dendreon fell 30 cents, or 1.9 percent, to $15.15 at 4 p.m. New York time in Nasdaq Stock Market

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composite trading. The shares have almost quadrupled since Jan. 1, the best performance in the Nasdaq Biotechnology Index.

Dendreon says it expects to hear May 15 whether Provenge will be released for use in the U.S. The company didn't respond to requests for comment on short-selling of the stock.

Advisory Panel

The FDA, while usually following the advice of advisory panels of scientists and doctors, isn't required by law to do so. Short sellers say the FDA may counter the advisers' ruling and hold off approving Provenge until results come in from another company-sponsored study. Dendreon has said that trial, measuring survival of 500 men with advanced prostate cancer, could take until 2010 to produce results.

``The short data says to me that people do not believe the panel's decision will be mirrored by the FDA,'' said Jonathan Aschoff, an analyst with Brean Murray Carret & Co. in New York, in a telephone interview. He has rated Dendreon shares ``sell'' since November 2004 and doesn't own any.

The stock's price surge reflects the lack of good treatments for advanced forms of the cancer, which is often lethal once it spreads beyond the prostate. The disease kills 27,000 men in the U.S. a year. Doctors say they often try treating terminal patients with Taxotere, a drug from Paris-based Sanofi-Aventis SA. That medicine has side effects and limited usefulness.

$1 Billion in Sales

Provenge will be Dendreon's first product and may generate $1 billion a year in sales if approved by the FDA. Dendreon, founded in 1992, is trying to be the first drugmaker to market a new class of experimental medicines scientists are developing that stimulate the body's immune system to attack cancer.

The company began its final-stage study in prostate cancer patients in 2000. Its only other product in clinical development is an immune-stimulator against breast cancer. Dendreon had an accumulated deficit of $392 million through the end of 2006, according to its annual report.

Short-sellers may be betting that the FDA won't go along with the panel because of the conflicting clinical trial results. Dendreon's own statistical consultant told the advisory panel on March 29 that the research data is ``less than perfect.''

Longer Survival

Dendreon's first trial of 127 men showed that patients on Provenge lived a median 25.9 months, compared with 21.4 months for those on a placebo. A second trial of 98 men showed a median survival of 19 months, compared with 15.7 months for those taking a placebo. That finding wasn't valid because it didn't reach a statistical threshold, the company said.

Both studies failed to demonstrate the drug slowed the cancer's spread, which was their primary goal. Dendreon says the measurement of whether Provenge was slowing the cancer's progress may have been carried out too early in the studies to detect the drug's ability to generate an attack by the immune system.

Dendreon supporters say the chances of Provenge winning approval are good, given limited treatment options for the disease. The FDA can require additional trials after the drug goes to market if it wants more evidence it works, said Charles Duncan, an analyst with JMP Securities in New York, in a note to clients April 24.

The first three of the 17 FDA panelists who were polled voted against recommending approval. The entire panel later voted 13-4 to recommend approval after the definition of the drug's effectiveness was changed by FDA staffers who analyzed the drug studies.

William Ho, an analyst with Bank of America Securities in New York, told clients in a note April 24 that he expects FDA approval. He said the staff's revised definition of the drug's effectiveness was designed to ``lower the bar'' in evaluating Provenge.

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					Date: Apr 27 2007 22:27:37 Wire: Washington Service (WSA) **Dendreon Corp: Dziurzynski Bogdan Files To Sell 25,000 Shares**
4/30/2007	7,487,125	$15.03	-0.79%	0.66	*April 30, 2007 Rodman & Renshaw - Michael G. King, Jr.* **BIOTECHNOLOGY** Rodman & Renshaw Biotechnology Balance Sheet Upcoming Clinical and Regulatory Events 5/15: Dendreon Corporation (DNDN, Not Rated), Provenge, Metastatic, Androgen Independent Prostate Cancer.
					Date: Apr 30 2007 13:50:00 Wire: TheFlyontheWall.com (FLY) **Liquid stocks with option implied volatility above 85 [MORE]** Liquid stocks with option implied volatility above 85 according to Track Data: DNDN, CYPB, ENCY, NFLD, NRMX, AVNR, LEND & PPCO.
					Date: Apr 30 2007 16:02:58 Wire: TheFlyontheWall.com (FLY) **Option Update – April 30, 2007 [MORE]** Volatility Index S&P 500 Options-VIX up 1.80 to 14.24. Option volume leaders today were: AMZN, NRMX, AAPL & DNDN.
5/1/2007	18,805,960	$16.17	7.58%	3.04	*Date: May 1 2007 15:47:14 Wire: TheFlyontheWall.com (FLY)* **Option Update – May 1, 2007 [MORE]** Volatility Index S&P 500 Options-VIX down .61 to 13.61. Option volume leaders today were: C, TWX, NRMX, MRVL & DNDN.
5/2/2007	18,676,239	$17.20	6.37%	1.94	*MAY 02, 2007 A.G. Edwards & Sons - Aaron S. Reames* **Dendreon Corp - Initiation: AGE Survey Offers Interesting Insight but Little Clarity on Approval** We are initiating coverage with a Hold Rating for speculative investors. We foresee significant risks surrounding the upcoming May 15th PDUFA action date for lead cancer vaccine Provenge. Provenge was the subject of a recent FDA panel meeting where committee members voted unanimously that Provenge was safe and 13 to 4 that there was substantial evidence of efficacy. Beyond a positive panel vote, there may be political forces within Center for Biologics Evaluation and Research (CBER) that increase the odds of Provenge being approved. However, given that Provenge failed to achieve any primary or secondary endpoints in either Phase III trial and that the primary statistical analysis for comparing overall survival was not pre-specified, we believe additional confirmatory data may be required by the agency. We surveyed 16 oncologists and 14 urologists. In short, urologists favored approval 71.4% to 28.6% while oncologists were mixed 50%/50%. Nevertheless we recommend that investors stay on the sidelines. Initiating Coverage Dendreon Corporation (DNDN) is rated Hold for speculative investors. We caution that DNDN shares and the shares of our other Buy/Speculative rated biotech issues are only appropriate for speculative investors that can tolerate a high degree of risk. To date DNDN has no approved products and may never receive regulatory approval for any of its compounds in development. The development of pharmaceutical and biotechnology agents is extremely complex and involves a myriad of scientific, legal, commercial,

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and regulatory business issues. We recommend owning a basket of biotechnology companies and feel that it is not prudent to hold individual biotechnology issues for most investors. At this point DNDN has limited revenues and is not expected to be profitable until 2011. Please refer to the Company Specific Risks section beginning on page 13 for risks to achieving our price objective.
Investment Premise Highlights:
* On March 29, 2007 Dendreon's application for the approval of Provenge, a novel cancer vaccine for the treatment of asymptomatic metastatic androgen independent prostate cancer (AIPC: also known as hormone refractory prostate cancer) was the subject of an FDA advisory panel meeting. Prior to the panel meeting it was widely believed in the investor and medical community, with the exception of a few Dendreon loyalists, that the panel meeting would produce a negative outcome for Provenge.
* The controversy surrounding Dendreon's Provenge stemmed from results of two Phase III trials, D9901 and D9902A. FDA briefing documents highlight that in both registrational studies Provenge failed to meet the primary and secondary objectives (we elaborate on these in the Investment Premise in Detail & Survey Highlights section). A 3-year follow-up survival analysis of D9901 was performed despite the fact that overall survival as an endpoint was not defined in both study protocols and the primary statistical analysis for comparing the two arms in overall survival was not pre-specified.
* At the 3-year time point an improvement in overall survival was observed demonstrating that men with asymptomatic, metastatic, androgen-independent prostate cancer who received Provenge had a median survival time that was 4.5 months longer than the median survival of the placebo group (25.9 versus 21.4 months). The difference between the two arms in overall survival reached statistical significance ($p = 0.01$) by the log rank test. This became the basis of the Biologics License Application (BLA) filing. Study D9902A, an identically designed study with 98 patients, only showed a trend toward improvement in overall survival. Contrary to the negative street consensus (a short position of 25.5 million shares existed prior to the vote), the panel voted unanimously (17 to 0) that Provenge was reasonably safe and 13 to 4 that there was substantial evidence of Provenge's efficacy. The FDA has assigned an action date under the Prescription Drug User Fee Act (PDUFA) of May 15th. We are initiating coverage prior to the PDUFA date to provide an additional opinion on the upcoming approval decision and future market potential of Provenge, driven by proprietary market intelligence.
* We caution that the agency does not always follow the suggestion of the advisory panel (i.e., September 2005 Advisory Committee voted in favor of Pargluva. FDA subsequently issued an Approvable Letter several weeks later). In addition, since the statistical claim of survival advantage is based on a post-hoc log rank analysis of D9901, the level of falsely claiming effectiveness (chance of Type I error) is substantially higher than if survival was prospectively defined. The FDA's position and industry guidance explicitly state that positive results from at least two adequate and well-controlled trials are, in general, required for licensure application. If the primary surrogate endpoints were statistically significant, a conditional approval can be awarded under a Fast Track designation. Since neither criterion was met, the agency could be viewed as being more lenient, having a double standard or setting a new precedent if Provenge is approved.
This increases the possibility that the agency issues an "Approvable Letter" and requesting additional data from the ongoing Phase III IMPACT trial (obtained from breaking the blind for an interim now or in the future or from the final analysis), in our opinion. Diametrically, the panel voted unanimously that Provenge is reasonably safe for a disease indication for which no therapies are currently labeled and where there is a high medical need. The agency could be viewed as not looking out for the patients' best interest if Provenge is further delayed from market.
* Due to these confounding factors (as well as, others) and in advance of the upcoming PDUFA date we conducted an independent survey of 16 oncologists and 14 urologists to better handicap the probability of Provenge being approved on or before the PDUFA date and to better determine Provenge's market potential and how it might be used in the future.
The results were mixed, but in general the data are very appealing to both oncologists and urologists. (note: although the group favors

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the potential approval of Provenge we urge caution in reading too much into these results due to the limited sample size of the analysis). In addition, it was clear that urologists surveyed were more optimistic about the potential approval of Provenge (potentially favoring patient interest and quality of life) than oncologists (in general more skeptical requiring confirmatory data).

* A striking and unexpected outcome of this analysis is that oncologists in the survey treated a similar percentage of patients with asymptomatic metastatic AIPC compared to urologists. Additionally, there was a wide-range of therapies and combinations currently being used by both oncologists and urologists to manage patients with asymptomatic metastatic AIPC. 63% of oncologists felt that it would be valuable to their practice versus 28.5% of urologists. Oncologists on average felt $25,000 per course could be charged, in contrast to urologists who thought a price of $1,000 per course was realistic.

* When asked if the side-effects associated with Provenge administration would stop them from prescribing Provenge, both oncologist and urologists had wide ranging opinion. It was pointed out that these patients do not have any symptoms (as they are asymptomatic) so any impact on quality of life (QOL) would decrease usage and prescribing. When evaluating the risk of cerebrovascular events in the context of prescribing habits, it appeared that respondents had difficulty in quantifying the risk benefit ratio for patients, with a greater number of those surveyed indicating that additional data was needed to answer the question with certainty and clarity.

We believe that Provenge is intriguing as supported by a statistically significant difference in overall survival in Study 9901 and a trend toward improvement in overall survival in D9902a, combined with a favorable safety profile. However, statistical confirmation from a larger randomized trial is needed to quantify clinical benefit and safety. One is always concerned about alpha error (or Type-1 Error is the probability that a statistical test will generate a false-positive error according to the null hypothesis thereby affirming a result is due to chance) in early trials and here is a situation where out of two studies, there is only one trial that has a positive outcome and that trial was underpowered. Due to the confounding variables associated with this review, we recommend investors stay on the sidelines and avoid equity exposure in front of this binary event. If and when Provenge is approved we believe that there could be an opportunity for capital appreciation following launch at a more tolerable risk profile.

Investment Premise in Detail and Survey Highlights

Dendreon Corporation (DNDN) is rated Hold for speculative investors due to a series of confounding issues related to the U.S. Food and Drug Administration (FDA) review of the Biologics License Application (BLA) for Provenge (sipuleucel-T). Provenge is an active cellular immunotherapy for the treatment of asymptomatic, metastatic, androgen-independent (hormone refractory) prostate cancer and has completed two Phase III studies. Provenge contains peripheral blood mononuclear cells (PBMCs), including antigen presenting cells, the most common of which is the dendritic cell. These cells get exposed to a fusion protein containing a protein fragment expressed on prostate adenocarcinoma called Prostatic Acid Phosphatase (PAP), which has been linked to granulocyte-macrophage colony-stimulating factor (GM-CSF), an immune cell activator. The proposed mechanism of action of Provenge is presentation of PAP antigen by activated antigen presenting cells (APC) to stimulate tumor-specific T cells in the patient. CD54 positive cells in Provenge are APC and can induce antigenspecific IL-2 production by T cell clones in vitro. CD54 up-regulation is associated with the ability of APC to elicit allogeneic T cell proliferation. In addition to APC, the final product also contains B cells, NK cells, and T cells, with T cells typically being the largest cell population in the final product. In essence, it is hypothesized that Provenge trains the immune system to target and kill cells expressing PAP found on prostate cancer cells.

FDA Briefing Documents that include the most accurate and comprehensive background material on Provenge can be found at the FDA's website under the 2007 Briefing documents file 2007-4291B1-00.

On March 29, 2007, Dendreon's Biologics License Application (BLA) seeking approval of Provenge (sipuleucel- T) for the treatment of asymptomatic, metastatic, androgen-independent (also known as hormone refractory) prostate cancer was the subject of a U.S. FDA panel review by the Office of Cellular, Tissue and Gene Therapy Advisory Committee, which is an office under Center fo

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Biologics Evaluation and Research (CBER). Provenge is a drug purported to re-train the immune system to identify and attack cancer cells that are initially missed. The panel voted in favor of Provenge with a unanimous vote of 17 to 0 that Provenge was reasonably safe and 13 to 4 that Provenge is efficacious.

Dendreon evaluated Provenge in two Phase III trials in men with advanced metastatic prostate cancer that had stopped responding to hormone therapy but was not causing pain. The life expectancy at that stage of disease usually ranges from 14 months to 22 months and there are no therapies indicated for asymptomatic metastatic AIPC. Currently approved therapies for AIPC include Sanofi-Aventis' Taxotere which has a side-effects profile that is more toxic when compared to Provenge. Prostate cancer is a rapidly growing problem and the American Cancer Society estimates that ~ 219,000 new U.S. cases of prostate cancer will be diagnosed in 2007

The FDA is scheduled to release its final decision regarding approval of Provenge on or before May 15, 2007, the date assigned under the Prescription Drug User Fee Act (PDUFA). We believe approval of Provenge would be a historic moment as it would represent the world's first cancer vaccine and would likely be a welcome addition to the treatment of prostate cancer and specifically asymptomatic metastatic AIPC.

Notwithstanding the fact that the FDA's Cellular, Tissue and Gene Therapies Advisory Committee voted positively related to FDA questions on the safety and efficacy of Provenge (based on evidence from Phase III registration trials), we believe there is rationale for the FDA to go against the Committee's vote and ultimately issue an Approvable Letter, predicating full approval on positive interim or final data from the ongoing IMPACT Phase III trial. We model the interim analysis occurring in mid-2008E however; management could decide to take an interim look earlier than mid-08E depending on the powering of the study. Approval of Provenge does not ensure market success for Dendreon. Dendreon's ability to successfully manufacture a new product, to educate the medical community on the merits of a product that failed to meet the primary clinical study endpoints in two Phase III studies, to obtain adequate reimbursement from healthcare payers, to demonstrate efficacy in likely post-approval clinical studies, and to successfully market Provenge are all significant risks that impact our decision to initiate coverage with a Hold rating.

To better address these questions and/or concerns, we surveyed 14 urologists and 16 practicing oncologists who treat prostate cancer in an effort to gain additional perspective on the expected FDA regulatory action on the BLA seeking marketing approval of Provenge AIPC, scheduled to occur on or before the assigned May 15th PDUFA date. We chose to include both urologists and oncologists in the survey to determine if there was a drastically different viewpoint and opinion regarding the merits of Provenge held between the two specialties. As inclusion criteria for consideration in the analysis, participating clinicians had to be familiar with the clinical progress and data supporting Provenge's use in this indication and clinicians had to currently treat patients with asymptomatic metastatic AIPC. We view these results as a supplemental tool and acknowledge that the total number of individuals surveyed represents an acutely small percentage of the actual number of currently practicing oncologists and urologists in the United States. With this limitation in mind we do feel that we provide a fair representation of the actual market. For example, when the results are pooled, the averag percentage of patients that the clinicians are treating with asymptomatic metastatic AIPC is 16.23%. When this percentage is applied to the 218,890 new cases of prostate cancer estimated to occur in 2007, one gets approximately 35,525 cases of asymptomatic metastatic AIPC. As we indicate in our valuation section - and based on our research and interviews with companies developing products of this market - this is relatively in line with the actual size of the market and the percentage of prostate cancer patients with asymptomatic metastatic AIPC.

We wanted to determine if the opinion of practicing clinicians mirrored the view of the FDA advisory panel, as there is some speculation that the optimism expressed for Provenge by members of the Advisory panel was driven more by a desire to advance immunotherapeutics and less on the merits of the clinical trial results. Some committee members during the panel meeting indicated that their stated goal was to stimulate development of immunotherapies and that the approval of Provenge would open a new field of investigation. An approval based on Office of Cellular, Tissue and Gene Therapy Advisory Committee's recommendation would be a

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landmark event on two fronts; not only could it be the first approved cancer vaccine but, it would the only drug that we are aware of that failed to meet the primary endpoints of both registrational trials and still made it to market.

The controversy surrounds the fact that in both registrational studies, D9901 and D9902A, Provenge failed to meet its primary and secondary endpoints (FDA briefing documents provide the most in-depth and accurate background material on Provenge). The primary efficacy analysis of Study D9901, a multi-center, randomized, double-blind, placebo-controlled Phase III trial, demonstrated that the study did not achieve its primary endpoint of prolonged time to objective disease progression or any other pre-specified efficacy endpoint. The estimated median time to disease progression was 11.0 weeks in the Provenge arm compared to 9.1 weeks in the Placebo arm. This 1.9-week delay in the time to objective disease progression did not reach statistical significance ($p = 0.085$). Dendreon's first study showed efficacy only in less-sick patients with a Gleason score of <7.

A 3-year follow-up survival analysis of D9901 was performed despite the fact that primary method for survival analysis was not pre-specified in the protocol. At the 3–year time point an improvement in overall survival was observed demonstrating that men with asymptomatic, metastatic AIPC who received Provenge had a median survival time that was 4.5 months longer than the median survival of the placebo group (25.9 versus 21.4 months). Therefore, the basis for the BLA filing and the argument supporting approval is the following; study D9901 failed to achieve its primary objective, but a post hoc analysis demonstrated a survival advantage for Provenge treated patients. The second trial was stopped early after D9901 failed and final results showed no clinical benefit for Provenge treated patients.

Due to the lack of a trial that achieved its primary endpoint, consensus expectations were for a negative outcome during the panel review of Provenge's efficacy. The panel was asked if the submitted data established the efficacy of Provenge in the intended population. Initially three committee members voted that Provenge failed to establish the efficacy of Provenge. With the initial panelists feeling uncomfortable in answering the agency's initial question of whether Dendreon had "established" efficacy and Dendreon staring at a potentially negative outcome to the pinnacle question of whether or not the panelists felt that Provenge "worked", the director of CBER, Jesse Goodman, MD, MPH had Celia Witten, MD, Ph.D. a director of the Office of Cellular, Tissue and Gene Therapies reword the query. The new question was restated and asked panelists if the data presented provides substantial evidence of Provenge's efficacy. The outcome was radically different with the panel voting 13 to 4 that there was substantial evidence that Provenge is efficacious in this patient population.

As it turns out, the phrase "substantial evidence" is the appropriate wording used in the 1998 Agency guidance on establishing efficacy. We asked participants both variations of the questions at different times and the results were surprisingly similar. Pooled results demonstrated that 60% of respondents felt the data established efficacy in the intended population and 63% felt the data provided substantial evidence of efficacy. However, urologists clearly looked upon the data more favorably than oncologists.

We believe that Provenge is intriguing but we believe that confirmation from a larger randomized trial will be required for final approval and before one can be certain that Provenge provides the magnitude of clinical benefit demonstrated in the Phase III D9901 trial. One is always concerned about alpha error in early trials and here is a situation where out of two studies, there is only one trial that has a positive outcome and that trial was underpowered. We asked the participants to expound upon their answer and whether or not additional studies with survival as the primary endpoint will be required.

Thoughts from Oncologists and Urologists That Do Not Believe the FDA Will Approve Provenge

Of the oncologists that felt the FDA will NOT approve Provenge, the main reason cited as the rationale for their response was due to the trials not meeting their primary endpoint and that confirmatory data would be required for approval. The FDA could possibly approve this vaccine but it is unlikely to do so on the basis of a single positive trial or a pooled analysis. One oncologist commented that the FDA never accepts post hoc analyses and given that there have been numerous failures with vaccines in advanced cancers, one can't base efficacy on one single small trial seriously In addition, it is difficult to make a final conclusion of efficacy based on the

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small numbers of patients tested. With a larger study underway, it was thought that the FDA will decide that it would be most prudent to await the results of that study to confirm efficacy in this population of asymptomatic AIPC patients. Combining data from two studies, one that suggests efficacy, the other that does not, is likely to not be acceptable.

Lastly, one oncologist expressed concern over the ability to standardize the apheresis collection and thus the dose of Provenge. Each apheresis collection varies in cell number and percent of specific cell types (T, B, and NK cells, and monocytes). There are no minimum or maximum limits for total cell number in the final product.

Dosing is based on a minimum number of total nucleated cells in the cellular starting material and a minimum number of CD54+ cells in the final product. Thus, this individual felt without standardization and with high variability between Provenge lots, the agency would be hesitant to approve the manufacturing process without further standardization. Furthermore, one urologist added that Provenge, although intriguing, offered a very small life survival advantage for the expected cost (source did not provide expectation of the cost).

Comments from Oncologist and Urologists That Believe the FDA will Approve Provenge

Of the oncologists and urologists that feel the FDA will approve Provenge, the suspicion is that Provenge would be approved, because of the combination of disease severity equating to a poor prognosis, a relatively favorable adverse event (AE) profile, and a lack of currently superior alternatives. However, the greatest contributor to their belief that the agency will approve Provenge is that the FDA is unlikely to overturn an advisory group recommendation. This group for the most part felt that there is clear evidence of improved survival in Provenge treated patients from the results of the two Phase III trials and the pooled analysis. To them, Provenge seems to prolong survival in asymptomatic AIPC patients and a 4 month survival benefit is significant in this disease population. One urologist commented that the extended survival is sufficient reason to add Provenge,"to my armamentarium while further tests are ongoing. The numbers and methodology are not up to grade A, level 1 evidence but pragmatically they are compelling enough to warrant approval for this novel approach to treating asymptomatic metastatic AIPC."

As a whole, the group certainly wanted to see the ongoing Phase III trial completed to better assess the efficacy; however, the current data were thought to be compelling; demonstrating a modest but real advantage with few serious side effects. They felt that the toxicities seemed low and given that there are few therapeutic alternatives for these patients, who are on the way to failure and of which most are reluctant to consider cytoreductive chemotherapy, this represents a potential option. Finally, the advocates for approval requested that the company explore trials evaluating Provenge in combination with other agents.

AGE Comments on Approval

Although the probability of the FDA granting full approval for Provenge has increased substantially following the Office of Cellular, Tissue and Gene Therapy Advisory Committee Meeting, we remain cautious and feel that the 60% probability of approval from our respondents may be optimistic and may not take into consideration all of the issues at hand. In our opinion, the FDA's decision of whether or not to approve Provenge is likely being driven by politics more that it will be driven by data, or lack thereof. The FDA is under political pressure from two directions; first and foremost is to guard patient safety and diametrically, the FDA also has always been under pressure to approve cancer drugs quickly. However, we believe that there is a high likelihood that the FDA's clinica guidance, outlining the requirements for human drugs and biologic products to be supported by two adequately sized and well-controlled trials to gain marketing approval, will prevail requiring additional data prior to approval.

Some feel that Center for Biologics Evaluation and Research (CBER) functions under separate guidelines however, recall that the rewording of the efficacy question to inquire if the data supporting Provenge offers "substantial evidence" is the language included in the Center for Drug Evaluation and Research (CDER) guidance and referenced by CBER. During the advisory vote the first three committee members in a row said that the data failed to establish the efficacy of Provenge. Then Celia Witten director of the FDA Office of Cellular, Tissue and Gene Therapies, rephrased the wording of the question and asked if the data had provided substantial

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evidence of efficacy. This phrase is the wording found in the 1998 agency guidance on establishing efficacy of an oncology drug for marketing approval. To us this indicates that there are similar guidelines by which drugs being evaluated under CDER and CBER are reviewed, increasing the likelihood that results from a second trial will be required for approval.

However, there are several other issues to consider. The fact that the FDA convened a cell therapy advisory panel, and not an oncology, could also have an effect on the outcome. The best evidence for this is in the vote itself. In our opinion, an ODAC panel may have focused on just the data on hand, whereas, the cell therapy advisory panel seemed to focus on the field rather than limit their analysis to the presented data. Recall, that during the panel meeting, some committee members had a stated goal of invigorating the development of immunotherapeutics. The best example of this is a statement from Francesco Marincola, Director of the Immunogenetics Laboratory at the National Institute Clinical Center who has stated that, “being harsh on Provenge would be missing the point. We are opening a new field. Even if we make a mistake, even if the (therapy) is not effective, there is so much to learn by starting to see patients being treated with this and see what else can be added. We should not underestimate the importance of the decision. I don’t think it’s about the drug and what the dug does, but it’s about opening a field and the investigation on that field.” Although, this could be construed as increasing the probability that Provenge is approved, an approval of Provenge based on a desire to attract new research and development in the field of immunotherapies could lead to legal ramifications for the agency driven by those companies that did not gain marketing approval for other drugs or biologics because the NDA or BLA was not supported by 2 trials that hit their primary objective. Recall, internal animosity arose following the agencies decision to have cancer vaccines evaluated by the Office of Cellular, Tissue and Gene Therapies which resides in the Center for Biologics Evaluation and Research (CBER) instead of integrating the review into the Office of Oncology Drug Products.

Following a congressional mandate in 2005 due to the review of Imclone’s Erbitux, three divisions of the Center for Drug Evaluation and Research (CDER) were consolidated to centralize the review of and provide a more consistent approach to the review process for products used to diagnose, treat, and prevent cancer. This was following the Imclone controversy that biologic products were not reviewed in the same manner as drug products. The three divisions associated with cancer treatment and prevention that were merged included theDivision of Oncology Drug Products, the Division of Oncology Biologic Products and the Division of Medical Imaging and Hematology Drug Products to form the Office of Oncology Drug Products within the CDER. There are several important observations to make related to the Dendreon saga. First, the review of oncology gene therapy products, as well as, the over sight of cellular therapies and cancer vaccines remained under the oversight of the Office of Cellular, Tissue and Gene Therapies which is an office under CBER following the centralization of oncology product review. There were many critics of this decision such as the Cancer Leadership Council and the American Society of Clinical Oncology who publicly stated their criticism that to have a full consolidation and a consistent review process of all oncology products, including cancer vaccines, should fall under the review of the newly formed Office of Oncology Drug Products. If Provenge is approved, it would be approved on criteria that is more lenient than the criteria required to support approved of other programs, potentially establishing a negative precedent.

By approving Provenge, we believe the agency would be creating and endorsing a new standard by which all drugs being developed for asymptomatic metastatic AIPC would have to be compared. If Provenge turned out to be less effective than witnessed in the current trial then this lower hurdle would result in other less effective drugs potentially making it to market. Most importantly, approval of Provenge based on this data would set a precedent that regulatory approval could be achieved from failed trials. The FDA is run partly by precedent and if the FDA follows through on the recommendation, it would be setting a precedent that it has made a shift in how the agency handles the approval of cancer drugs. Allowing one drug through on a lighter standard will at the least cause more biotech companies to push forward with applications following failed trials.

Setting a precedent of approving a drug based on less than adequate data is vehemently opposed by Richard Pazdur, M.D., F.A.C.P., who prior to the consolidation, was the head of the Division of Oncology Drug Products, and who is currently at the helm of the

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newly established Office of Oncology Drug Products. For background, Pazdur was publicly against the approval of Iressa. Recall, Iressa was supported by lackluster data yet the Advisory Panel recommended approval of Iressa because it was a effective in some patients. Ultimately, Dr. Pazdur was proven to be correct when a larger appropriately powered trials showed that Iressa did not provide a survival benefit. After Pazdur was right on Iressa he came back with a vengeance and according to agency consultants carries a loud voice within the FDA. Even though oncology products historically have had one of the highest marketing approval rates of any of the drugs categories reviewed at the FDA (2nd only to antivirals), drugs supported by similar data have failed when reviewed by Office of Oncology Drug Products. Both advisory panels and the agency have rejected drugs that failed to meet their prospectively defined primary goals. Most directly comparable to the Provenge scenario is the ODAC panel rejection of Abbott Laboratories' Xinlay because the only evidence for its effectiveness came from a retrospective post hoc analyses of two clinical trials. Recently, the FDA rejected Pharmacyclics' application for Xcytrin, a lung cancer drug, because the drug failed to meet the primary goals of its trials. Similarly, Provenge failed to meet the key endpoints of its Phase III trials. Like Provenge, Xcytrin showed statistical significance in a pooled analysis. The point is, if Pazdur has any influence on this review it would be a negative for Provenge.

To add another wrinkle to the fold, Andrew C. von Eschenbach, M.D., the FDA Commissioner, will likely be playing a very active role in this decision given the implications if Provenge is approved. What is important to recognize is that as the former Director of the National Cancer Institute (NCI), Dr. von Eschenbach is a nationally recognized urologic surgeon and oncologist, the type of specialist that most likely has the greatest appreciation for the asymptomatic AIPC patient population. Diametrically, he could become the biggest critic owing to his days as an oncology researcher; however, our agency consultants have indicated that it is perceived that he will side with the sponsor at times.

AGE's Thoughts on the Outcome?

With two trials that have failed to meet their primary and secondary endpoints, skepticism remains as to the degree of clinical benefit provided by Provenge thus, even with an advisory panel recommending Provenge for approval the FDA may not follow suit. Although the panel voted in favor of Provenge's approval, the oncologists and urologists surveyed as a whole viewed Provenge's approval as likely, combined with the fact that the Office of Cellular, Tissue and Gene Therapies appears motivated to approve an immunotherapy, we are not confident that the agency will set the precedent of approving a drug based on a unspecified retrospective analysis. The excitement over Dendreon will come to a head on or before its May 15th PDUFA date, when the FDA makes its final decision however, we think that the FDA may not set a precedent of approving drugs on post hoc analyses.

We believe that there is a substantial possibility that the agency issues and an Approvable Letter for Provenge requiring a positive interim or final analysis of the ongoing Phase III IMPACT trial. The IMPACT (Immunotherapy for Prostate AdenoCarcinoma Treatment) study, also know as D9902B, in an ongoing Phase III trial that was initiated in June 2003 under an Special Protocol Assessment (SPA) for the treatment of men with asymptomatic, metastatic AIPC whose tumors had been classified as a Gleason score of 7 or less. The trial was later amended to increase the total number of patients enrolled in the trial and expand the study to include patients regardless of Gleason score. The ongoing Phase III trial is a 500-patient study (approximately 400 patients have been enrolled as of the time of the panel meeting) and enrollment is expected to be complete in 2007. Final data including the 36 month follow-up overall survival results, the primary endpoint of the trial, are due in 2010.

However, Dendreon Chief Executive Mitchell Gold said the company has planned an interim look at that trial which is expected to occur in late 2008. With 400 patients enrolled in the trial we could envision an interim analysis being conducted now to potentially support approval.

Alternatively, since Provenge has Fast Track designation, the FDA Modernization Act of 1997 can base approval on an effect on a surrogate endpoint. The FDA may condition approval of an application for a Fast Track designated product on a commitment to do post-approval studies to confirm results from prior trials. Thus, the agency could issue an Approval on the condition that Dendreon

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complete the ongoing Phase III trial; however, we believe that this possibility is below 40% given that the agency has not typically, if ever, approved a drug based on a post hoc analysis from only one Phase III trial. In support of approval is the fact that there are no therapies approved for asymptomatic metastatic androgen independent prostate cancer beyond Taxotere, which bears significant toxicity. Advocates of approval point to the fact that additional men will die before the results of the confirmatory trial emerge. Obviously, with a positive panel vote, the probability of Dendreon receiving a Non- Approval letter is virtually non-existent, in our opinion.

Safety

The panel voted in favor of Provenge with a unanimous vote of 17-to-0 that Provenge was reasonably safe. Provenge administration is relatively well-tolerated, with fatigue, chills, and back pain as the most common side effects. However, the panel did express concern that patients treated with the drug showed a higher rate of cerebral vascular accidents, or strokes (3.9%) compared to patients in the placebo arm (2.6%).

One reviewer was adamant that the decision to use Provenge should be determined by patient choice. Our survey indicated that this was also a concern for our respondents, especially the oncologist. 87% of the oncologists we surveyed indicated that this side-effect was of concern.

When asked if the side-effects associated with Provenge administration would stop them from prescribing the immunotherapeutic vaccine, both oncologists and urologists had wide ranging opinions and the responses ran the gambit. One oncologist answered by saying that he does not think Provenge is effective so he would not prescribe it to begin with however, others were more constructive. Surprisingly, more respondents felt that the side-effect profile would have a major effect on prescribing, than we expected prior to the survey. After the fact, it is very obvious where push back could arise. It was pointed out that these individuals do not have any symptoms as they are asymptomatic so any impact on quality of life (QOL) would decrease usage. If there is any diminution in quality of life, for such a nominal increase in survival that would adversely affect prescribing. Sideeffects are only tolerable in asymptomatic individuals if there is tangible efficacy and at this point many felt that the safety and efficacy risk/reward ratio would be hard to describe for patients with any certainty without further data. It was pointed out the cerebral vascular accidents (CVA) side-effects could stop usage in the elderly patient population especially, if there was a prior history of CVA or other cerebrovascular disease. Use appears to depend on symptomatic severity and preexisting CNS status in the elderly population.

Others indicated that the profile of Provenge appears less toxic than chemotherapy so there would not be an impact on prescribing. Patients with AIPC/HRPC have limited effective options and are willing to accept reasonable risks of side effects. One physician noted that the side-effects of Avastin can be severe but, it did not stop use of the drug because of the robust efficacy demonstrated in difficult to treat cancers (implying that if in the ongoing confirmatory Phase III trial Provenge is shown to provide a 4 month survival advantage, then it will be used even if some patients develop severe side-effects). This individual went further and added that Provenge seems to be safer than Avastin. Others said more trials need to be completed before one can fully understand the side-effects profile.

In the end, most agreed that patients will need to be thoroughly made aware of risks and benefits. Informed consent is important. If the patient is comfortable it is a reasonable risk however, if the patient is risk averse to a high degree they would not proceed with therapy.

Market Opportunity

Clearly the jury is still out on Provenge for many and there is some question of whether or not it will be embraced by the oncology community, if approved. Certainly the level of interest on behalf of the patient is high. More than half of the individuals surveyed had patients that have inquired about Provenge. In addition, those that inquired about the drug had a high level of interest.

Before conducting this survey, we were under the impression that few patients with asymptomatic metastatic AIPC were referred to

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oncologists prior to advancing to symptomatic metastatic AIPC due to the potential short duration of time patients are asymptomatic. However, a striking and unexpected outcome of this analysis is that oncologists in the survey treated a similar percentage patients with asymptomatic metastatic AIPC compared to urologists.

Do to this outcome we asked these individuals when urologists normally refer patients to the oncologists and surprisingly the answers were consistent and the responses on when the referral is made is consistent with the prior answers. The surveyed oncologists indicated that they get referrals from the urologists when prostate cancer becomes androgen independent. Others indicated that it was when patients were clearly androgen independent and no longer responding to hormonal therapy, in other words when patients had very late stage disease. Others were more specific and indicated it was when the patients were symptomatic and rising PSA leads with progressive metastasis. Responses from the urologists clearly mirrored these results.

The next relevant question is whether or not the two specialties differ significantly in their opinion on the relative merits that Provenge offers to this patient class. In other words, will both specialties equally embrace Provenge and use it to treat patients with asymptomatic metastatic AIPC.

If approved, respondents indicated that they would envision Provenge being used sequentially with docetaxel (in the Phase III experience, patients who received docetaxel following Provenge administration showed an improvement in survival). Additionally, studies are ongoing evaluating Provenge in earlier stage disease where they could foresee Provenge being used during the “watchful waiting” period. At present, the surveyed clinicians are using a variety or combinations to treat asymptomatic metastatic AIPC.

Risks:

Receiving Regulatory Approval for Provenge

The FDA’s PDUFA date for Provenge for the treatment of hormone refractory prostate cancer is May 15, 2007. As the company’s pipeline is speculative and very early stage, approval of Provenge has increased significance as all other compounds are several years from approval. Furthermore, the most advanced pipeline candidate (Neuvenge) has not advanced past Phase I studies in nearly five years. The number one risk for Dendreon clearly relates to the FDA’s decision by May 15, 2007. Historically the FDA has tended to make its decisions based on the inputs provided by its various external advisory committees; however, the FDA is under no obligation to do so and reserves the right to utilize its own criteria in determination of marketing approvals. A significant impediment to approval of Provenge is predicated on the fact that neither of the Phase III studies statistically met their pre-defined primary endpoints. Only a pooled analysis and use of ad hoc statistical methods produced statistically significant data which Dendreon believes supports approval of the drug.

Approval of Provenge based on these statistical and clinical facts could set a dangerous precedent at the agency that could encourage other pharmaceutical and biotechnology companies to pursue. Since the FDA does not operate in a vacuum approval of Provenge based on no statistical efficacy may cause the agency more trouble in the future. We believe a significant contributor to a potential Approvable Letter (or Non Approval, although unlikely) relates to the lack of demonstrated clinical efficacy in two Phase III studies.

An additional risk is that FDA may issue an Approvable Letter and predicate future approval based on the outcome of the ongoing IMPACT Phase III study. Unlike the two Phase III registration studies IMPACT’s primary endpoint relates to survival benefit of patients taking Provenge compared to placebo. This hard endpoint study will statistically determine whether or not Provenge has a survival benefit versus placebo. Dendreon believes that it will be able to complete enrollment for this study during 2007 and that the number of required “death” events will occur sometime in 2010. Assuming the protocol only allows for a review of efficacy after 360 death events occur and does not include an interim analysis, the rate at which patients die dictates when the study will conclude Therefore, an Approvable Letter that requires final IMPACT study data will push out approval of this product until 2010 or 2011E. An approvable Letter based on results of an interim analysis of the IMPACT study (a scenario which we have modeled) pushes approval out until mid- 2009E.

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Sales and Marketing

Dendreon has never received approval for a product and its executive management team has minimal experience in sales and marketing activities. Approximately 161 of its 232 employees are involved in research and development activities. Dendreon's stated goal is to independently launch Provenge in the U.S. market and sign a commercialization partner ex-U.S. In addition, the company believes that it can successfully support the U.S. launch by targeting urologists and urologic oncologists with a sales force totaling 125 persons, including medical science liaisons. Execution of its marketing strategy is complicated due to commercial competition from Sanofi-Aventis's product Taxotere, which was approved by the FDA in June 2004 in combination with prednisone for the treatment of patients with androgen-independent (hormone-refractory) metastatic prostate cancer. Notwithstanding the potentially improved safety profile of Provenge versus Taxotere a company the size of Sanofi-Aventis poses a challenge due to its financial resources, marketing experience, and managed care capabilities.

A Thin and Speculative Pipeline

Beyond Provenge, Dendreon's pipeline includes one Phase I compound that is ready to enter Phase II, Neuvenge for the treatment of breast cancer, and multiple pre-clinical candidates. Neuvenge completed two Phase I studies in 2001/2 but development has been suspended since 2002 as the company has focused its limited resources on development of Provenge. If the FDA ultimately decides to not approve Provenge significant resources and several years of human clinical studies will be required before another drug candidate is potentially available to pursue marketing approval.

Commercial Development Partner Risk: Lengthy manufacturing process

(We recognize the manufacturing time of Provenge is short compared to other vaccine companies) As if obtaining regulatory approval for a cancer vaccine was not challenging enough in itself there are a series of manufacturing and commercial development risks that exist that may impact Dendreon's ability to successfully produce and deliver Provenge to physicians for use. Dendreon has a commercial agreement in place with Diosynth related to commercial supply of antigen used with Provenge. This antigen is critical to the Antigen Delivery Cassette technology used in Dendreon's immunotherapy.

As part of the manufacturing of Provenge white blood cells need to be removed from a patient's blood via a process known as leukapheresis. Any antigen-presenting cells are separated from the white blood cells and are incubated in conjunction with Dendreon's Antigen Delivery Cassette. Approximately 2 days later (~ 40 hours) various quality control steps are taken at the manufacturing site to ensure product safety, sterility, etc., and, finally, the immunotherapy is ready for administration. Dendreon has contracted with various blood banks such as Puget Sound Blood Center and New York Blood Center to provide leukapheresis services.

Dendreon plans on utilizing commercial third party firms such as manufacturers of cell separation and related media and transportation firms to assist in the blood collection and logistical shipment processes necessary to manufacture Provenge prior to infusion int patients.

Finally, Dendreon plans on developing an information technology system that will integrate the various logistical issues related to the supply chain steps in the manufacturing and delivery of the product to the infusion centers.

Inability of Diosynth, a leukapheresis center, suppliers of cell separation supplies, transportation firms, and/or a commercial IT logistics system to function as designed or contracted may have a detrimental impact on Dendreon's ability to manufacture and deliver Provenge for use in a cost effective and timely manner.

Strong Management Team with Expertise in Prostate Cancer and Immunotherapeutics

While the regulatory question of whether or not Provenge is worthy of an Approval Letter has been the subject of much speculation for the past few years, Dendreon has continued taking steps necessary to commercialize this novel product.

Dr. Mitchell H. Gold, M.D. became Chief Executive Officer on January 1, 2003 after serving as the company's Vice President of Business Development and Chief Business Officer. Prior to Dendreon Dr. Gold held a series of executive positions at Data Critical

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Corporation (DCC) and Elixis Corporation, which are involved healthcare data and medical information systems. DCC subsequently became a division of GE Medical. Dr. Gold received his academic medical training at Rush Medical College.

David L. Urdal, Ph.D. has held the dual roles of Senior Vice President and Chief Scientific Officer since June 2004. Dr. Urdal's responsibilities also include management of the company's manufacturing operations. This later function leverages his 13 years of experience at Immunex, Corp. (acquired by Amgen in July 2002), including title of President of Immunex Manufacturing Corporation. This previous experience will be critical in helping Dendreon establish its commercial manufacturing capabilities for Provenge.

Coincident with its new corporate strategy related to commercialization of Provenge in early 2006 Dendreon embarked on improving its manufacturing capabilities and corporate competencies. During 2006 the company hired a series of healthcare professionals to complement its executive team.

James V. Caggiano has 11 years of experience from Tap Pharmaceutical Products, Inc. where he led aspects of the marketing of Lupron, for the treatment of prostate cancer.

Christopher Lockett was hired as Head of Government Affairs in March 2006 after spending 17 years at Tap Inc. During his tenure at Tap Mr. Lockett worked on Medicare, Medicaid, and legislative interests related to Lupron Depot and Prevacid. Mr. Lockett's primary responsibility at Dendreon will be to interact with the Center for Medicare and Medicaid Services and to secure government reimbursement for Provenge.

2006 also witnessed the hiring of: Mary Coon as VP of Quality, Ernest Bognar as General Manager of the Hanover, N.J. manufacturing facility, Mark Frohlich as VP of Clinical Affairs, and Gregory Schiffman as Chief Financial Officer

Financial Discussion

Cash Position

Dendreon Corp. ended Q4 2006 with cash, cash equivalents and short- and long-term investments of $121.3 million. Dendreon's liabilities included facility lease obligations and short and long-term debt of $20 million.

Dendreon ended 2006 with 72,366,047 common shares outstanding or $1.67 cash per share, not accounting for the existing debt repayment requirements. The company can issue $53.2 million in common stock under an existing $150 million shelf registration to finance future commercial activities.

Future Dilution Risk: $392 Million is Losses to Date; Future Capital Raises Likely

Since its incorporation in 1992 Dendreon has accumulated a deficit of $392 million. As of December 31, 2006, it had $121.3 million in cash, cash equivalents, and short- and long-term investments and the company anticipates that this is sufficient to finance corporate activities into 2008. The company currently has the ability to raise an additional $53.2 million via issuance of common stock under its existing shelf registration, and as of March 8, 2007 has 82,434,612 million authorized shares outstanding (72,366,047 shares issued and outstanding).

Valuation:

We value Dendreon based on our 2013 revenue estimate of approximately $464 million. This includes $365.7 million in sales of Provenge as well as $92.9 millions in royalties from a European marketing partner. Dendreon's corporate strategy is to independently market the product in the U.S. and to sign a partnership for European rights to Provenge. We estimate Provenge is approved in the U.S. in 2009 and achieves sales of $365.7 million in 2013 by capturing approximately 35% of the U.S. patients with asymptomatic metastatic androgen independent prostate cancer.

The $365.7 million in sales of Provenge equates to treating an average of approximately 14,600 patients (of 42,990 with asymptomatic metastatic AIPC annually; note there is quarter over quarter growth modeled in 2013 so the total number of patients starting therapy is higher by the end of Q4:13 at 15,000) at $30,000 per course. To derive the asymptomatic metastatic AIPC patient population in 2013 we model that 80% of patients on androgen deprivation therapy (ADT) or 1.3 million patients have no metastasis and that 20% of

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patients on ADT (or 268,680) have prostate cancer that has metastasized. Of the patients on ADT with metastasis, we model that 80% become symptomatic due to the disease becoming hormone refractory and roughly 20% becoming hormone refractory but non-symptomatic. We model similar numbers in Europe; however, we model the expected launch being delayed by one year.
We have not applied any value to the rest of Dendreon's pipeline including Phase II compound, Neuvenge, for the treatment of breast cancer. Dendreon has not dedicated any resources to development of Neuvenge in over four years, and its other products candidates are all in pre-clinical stage of development.
We capitalize our 2013 revenue estimate of $464 million at 8x (at the higher end of the 7x – 8x multiple currently assigned to similar biotechnology companies because of the first in class nature of Provenge) suggesting a 2013 market capitalization of about $3.7 billion. We discount $3.7 billion at 25% (a discount rate we apply to higher risk companies under our coverage that do not have any significant products on the market and are unprofitable) to arrive at a 2008 value of $1.2 billion. Given that we believe the firm will have about 80.4 million fully diluted shares outstanding in 2008, a $1.2 million market capitalization is consistent with a 12 - 18 month fair value of approximately $15. Given the highly speculative nature of the shares, we expect shares to be quite volatile, particularly as we approach the May 15th PDUFA date, and may trade a levels that are greater that 10% above or below our fair value estimate.
Risks to Valuation:
Dendreon is an early stage biopharmaceutical company and is not currently profitable. As such, it is relying heavily on a positive regulatory decision of Provenge's BLA. The rest of its pipeline is at pre-clinical or Phase I stages of development and is several years from potential regulatory approval and may never demonstrate adequate safety and efficacy to warrant filing for marketing approval. Dendreon has expended considerable resources in the development of Provenge and expects to continue in this capacity for the foreseeable future. If approved, much work remains related to manufacturing, marketing and sales, reimbursement, and medical education in support of a Provenge launch. While the company believes that Provenge will be successful in ultimately obtaining commercial approval, any delay in its approval and launch could have a material financial impact. Failure in obtaining regulatory approval, failure in post-approval clinical studies, and failure to achieve adequate reimbursement could be detrimental to Dendreon's stock price and ability to raise funds to support further advancement of its pipeline.

May 2, 2007 Needham - Mark Monane, Richard Yeh
Positively Inclined Toward FDA CBER ApprovAL for Provenge - Reiterating BUY, $22 Price Target
Dendreon Corporation (DNDN) – DNDN: Two Weeks to PDUFA, Two Real Options by the FDA, Too Many Letters – We Remain
We note that the FDA decision on the PROVENGE® (sipuleucel-T) application at CBER is expected on or about May 15, 2007. We expect to hear the decision on or before that date, since the panel has paneled and the pre-approval inspectors have inspected. Of note, the FDA is graded on adherence to the PDUFA dates, and the legislation for the next FDA funding cycle, PDUFA IV, is currently under evaluation.
We had the opportunity to speak with biotech and academic sources who have been involved in regulatory affairs. As a result of these discussions, we remain positively inclined toward an approvAL letter for Provenge for the management of asymptomatic, metastatic, androgen independent prostate cancer. We believe the letter will include a Phase 4 post-marketing surveillance commitment to complete and report the data from the ongoing D9902B trial. We base our opinion on the conduct of the panel meeting, the positive vote on efficacy, the unanimous vote on safety, and the few treatment options for the number one non-skin cancer in the US today.
We do, however, note that there are some weaknesses in the current Provenge CBER application (such as the relatively small 127 patients in the D9901 trial, P>0.05 for primary outcome, survival not prespecified as a study outcome) as well as the ongoing large SPA-designed Phase 3 trial (giving the FDA another option for an approvABLE letter based on the set-up and execution of the ongoing D9902B trial). We are impressed with the flurry of letters on this subject from FDA advisors and concerned physicians alike,

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but we believe the only letter that matters at this time is the PDUFA letter from the FDA.
Based on our sum-of-the-parts, decision-analysis, weightedprobability valuation model, we have derived a $22 price target.
However, since this regulatory event is expected to be a binary one, we believe that investors may also wish to consider the scenarios of the approvAL (our valuation $27) and approvABLE (our valuation $6) letters.
NEWSWORTHY EVENTS EXPECTED WITHIN THE NEXT 3-6 MONTHS
- Await PDUFA date for completion of PROVENGE BLA review (May 15, 2007);
- Complete enrollment of D9902B Phase 3 PROVENGE trial (YE07); and
- Report interim look of D9902B Phase 3 PROVENGE trial (2008);
- Seek ex-US corporate partnership for PROVENGE (ongoing).
STRENGTHS OF PROVENGE APPLICATION AND RELATED MATERIALS/EVENTS
CBER considerations
* CBER vote on efficacy: 13-4
* CBER vote on safety: 17-0
* Conduct of panel: Drs. Mule (Panel Chair) and Whitten (Director of Office of Cellular and Tissue Therapy) and Goodman (CBER Director) stop voting process, consult regulatory statutes, and define efficacy as “substantial evidence of efficacy.”
* New FDA commissioner Dr Andrew von Eschenbach comments at the FDANCI Workshop on Cancer Vaccines in March 2007: “Know that the FDA will continue to be a partner…We will look to our own internal processes, not just to regulate but to facilitate; we will not remain static.” (Reporter Peggy Eastman)
* CBER Office of Cellular and Tissue Therapy: This office has yet to approve a product for market use.
* CBER = CBER and CDER = CDER :The Provenge regulatory process has been housed in the CBER Division since 1996 and remains there despite the recent FDA reorganization of the CDER and CBER Divisions.
* No such thing as precedent: Our consultants state that each drug and each therapy is judged on its own risk and benefit as well as safety and efficacy. Alimta (NSCLC), Temodar (melanoma), and Taxotere (NSCLC) were all approved based on secondary analyses.
Survival data considerations
* Survival data from D9901 - Provenge (APC8015) versus placebo (APC/placebo):
Median survival ITT: 25.9 months versus 21.4 months, p = 0.011; Hazard ratio: 1.71 by log rank, p = 0.011, consistent with a 41% reduction in the risk of death; 3 year survival: 34% (28/82) versus 11% (5/45), p=0.0046
* Survival as clinically meaningful outcome by patients and physicians alike: Of note, as mentioned in the briefing documents, the reviewer states that it is challenging to describe an appropriate alpha-error value for the survival outcome, given it was not the primary outcome. Yet, the survival benefit seen in the D9901 trial among Provenge patients was robust and held despite various sensitivity analyses performed.
Treatment considerations
* Prostate cancer is number one non-skin cancer: Few treatment options exist.
* D9902B trial as post marketing commitment: A major hurdle in Phase 4 commitments is the design of the commitment by the FDA and the conduct of the commitment by the application sponsor. The D9902B trial has been designed and launched and is well underway, with 400 of 500 patients already enrolled. Survival data are expected in 2010.
* Publication of D9901 data in peer-reviewed journal: Placebo-Controlled Phase III Trial of Immunologic Therapy with Sipuleucel-T (APC8015) in Patients with Metastatic, Asymptomatic Hormone Refractory Prostate Cancer (Journal of Clinical Oncology , Vol 24, No 19 (July 1), 2006: pp. 3089-3094)
WEAKNESSES OF PROVENGE APPLICATION AND RELATED MATERIALS/EVENTS

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Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

Trial design considerations
* Modest Trial size: D9901 trial size modest at 127 patients, supportive D9902 trial with 98 patients
* D9902B trial underway: This trial, already underway and having recruited 400 of 500 planned patients for study, provides another option for the FDA in the regulatory process. A major hurdle in an approvable letter is the design and conduct of the next clinical trial: this hurdle has already been managed by the current D9902B trial underway
Study outcomes considerations
* TTP data from D9901- Provenge (APC8015) versus placebo (APC/placebo): These data form the primary outcome of the analysis and did not reach statistical significance 16 weeks versus 11 weeks, p= 0.06, HR 1.43
* Survival data from D9902A - Provenge (APC8015) versus placebo (APC/placebo):These data form the supportive data for D9901 trial but did not reach statistical significance 19.0 months versus 15.7 months, p = 0.332, Hazard ratio 1.27
* Survival data not specified as the primary or secondary analysis: The survival outcome was assessed as part of a planned safety analysis of the D9901 and D9902A trials.
Adverse-side effects consideration
* Cerebrovascular accident rate higher in the Provenge treated patients: CVA rate was 3.9% in the Provenge treated patients (n=461) versus 2.6% in the placebo treated patients (n=231). This trend was not deemed significant by the panel (17-0 vote in terms of safety).
IMPACT OF THE UPCOMING FDA DECISION AND POTENTIAL NEXT STEPS
We are looking beyond the regulatory risk at the commercialization risk, as we believe some form of collaboration agreement is likely if the FDA issues an approval letter (commercialization partner for WW or ex-US marketing) as well as an approvable letter (financing and development partner). The company states that it is ready for commercialization of $1B in annual sales, or approximately 20,000 patients given a $50,000 per treatment charge.
We believe that the FDA decision on Provenge will have direct effect on DNDN stock price, and a halo effect on other late-stage cancer vaccine/active immunotherapy companies in this space. We favor Favrille (FVRL, BUY Rating) with Phase 3 data expected in its FavId NHL trial by YE 2007 as well as Cell Genesys (CEGE, BUY Rating) with 2 Phase 3 trials underway and data expected in 2010.
RECENT AND EXPECTED UPCOMING EVENTS:
PROVENGE (SIPULEUCEL-T)
* Report full D9902A dataset presentation at the ECCO Meeting in Paris (October 31, 2005);
* Complete construction of NJ manufacturing facility (mid-06);
* Publish D9901 Phase 3 results in a peer reviewed journal;
* Report top-line data on Phase 3 P-11 trial in AIPC (4Q06);
* Report additional data from Phase 3 trial of PROVENGE D9901 study at upcoming medical meeting (4Q06)
* Submit BLA application of PROVENGE to the FDA on rolling basis (3Q06) and complete the submission of the BLA (4Q06) ;
* Received Fast Track Status from FDA for PROVENGE BLA application (May 15, 2007 PDUFA date)
- Await PDUFA date for completion of PROVENGE BLA review (May 15, 2007);
- Report interim look of D9902B Phase 3 PROVENGE trial (2H07);
- Complete enrollment of 9902B trial (YE07); and
- Seek ex-US corporate partnership for PROVENGE (ongoing).
APC 8024 (LAPULEUCEL-T)
- Initiate Phase 2 trial for APC8024 in breast or other Her2/neu-related cancer (2007).
TRP-8

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* Report Trp-8 preclinical data at the Ion Channel Target Conference in Boston, MA (September 2005);
- Select lead clinical candidates from the Trp-p8 program (1H07);
- Seek partnership for Trp-p8 program (ongoing).

FINANCIAL ANALYSIS

DNDN ended 4Q06 with approximately $121MM in cash and cash equivalents. In November 2006, Dendreon raised ~$45 MM from the sale of 9.89 M shares of common stock directly to select institutional investors. Based on the current burn rate, we estimate that the company's 2007 operating expenses should be approximately $115MM (with a net burn rate of $112MM). We expect that Dendreon's current cash levels to last into 2008.

VALUATION ANALYSIS

Our target price of $22 is based on a valuation matrix that involves two scenarios with different timelines for the regulatory approval of PROVENGE:

In scenario 1, we assume 75% as the probability of the regulatory success (e.g., Approval Letter issued). With a product launch in late 2007 (2008) based on May 2007 letter, a peak sale of ~$1B in 2012, and a sales multiple of 5, our projected enterprise value of $1.832B was derived using a 25% discount.

In scenario 2, we assume 25% as the probability of the regulatory success (e.g., Approvable Letter issued). With a product launch in 2011, based on a positive D9901B trial result in 2010, a peak sale of ~$1B in 2015, and a sales multiple of 5, our projected enterprise value of $614MM was derived using a 35% discount.

INVESTMENT RISKS

Developmental risk: The clinical trials may fail to meet efficacy endpoints during clinical development of Dendreon's lead product PROVENGE for the management of hormone refractory prostate cancer. The major driver will be the Phase 3 trial (D9902B) results in prostate cancer: while the results will be binary in nature, we believe the design and conduct of the current Phase 3 trial favor are solid. While the D9901 data were compelling in our opinion, the D9902 data, which did not show benefit in TTP, add uncertainty going forward. We note the encouraging D9902A survival data reported in 3Q05.

The volume of projects now under way, with four cancer conditions currently being studied, represents a challenge for management by the 160-person company. However, a seasoned management team leads the company, with expertise in product development and commercialization and past experience in biotechnology, big PHARMA, and academia.

Regulatory risk: Dendreon may not obtain regulatory or marketing approval for its product candidates. The company may fail to obtain regulatory approval to market its product candidates. We believe that if the clinical trial results meet the desired endpoint, the cancer vaccine approach, although novel, should achieve regulatory success. The two scenarios discussed previously in this report represent an opportunity for potential PROVENGE approval on a variety of endpoints.

Commercialization risk: Dendreon may not be successful in commercializin
PROVENGE and may be unable to generate significant revenue to continue operating the core business, as this is the company's first drug to market. With regard to commercialization, GAMBRO will be responsible for blood sample collection and distribution. GAMBRO has 550 sites in the US and 600 sites in Europe, including 60 high-volume centers. Dendreon recently hired several key personnel in the sales and marketing field, including James V. Caggiano, who recently led the marketing operation for Lupron, a billion-dollar prostate cancer drug by TAP. Dendreon is currently constructing a manufacturing facility in New Jersey. In addition, we believe a large unmet need exists for the target audience of hormone refractory prostate cancer patients, and that a focused sales force may be successful in diminishing the commercialization risk.

Financial risk: As of the end of 4Q06, Dendreon has approximately $121MM in cash, cash equivalents, and marketable securities, sufficient for the ongoing D9902B pivotal trial as well as the early market launch for PROVENGE. In November 2006, Dendreon

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Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					raised ~$45MM from the sale of 9.89MM shares of common stock directly to select institutional investors. Based on the current burn rate, we estimate that the company's 2007 operating expenses should be approximately $115MM (with a net burn rate of $112MM). We expect Dendreon's current cash levels to last into 2008. *Date: May 2 2007 13:20:54 Wire: Briefing.com Global Menu (BRF)* **DNDN: Dendreon pops to session highs on a pick up in volume as it eyes yesterday's high of 17.61 (17.25 +1.08) [Update] [Technical]** *Date: May 2 2007 16:09:39 Wire: TheFlyontheWall.com (FLY)* **Option Update – May 2, 2007 [MORE]** Volatility Index S&P 500 Options-VIX down .40 to 13.11. Option volume leaders today were: CSCO, NRMX, NEM & DNDN
5/3/2007	26,310,855	$18.48	7.44%	3.71	*May 3, 2007 Next Generation Equity Research - Liisa Bayko* **Dendreon (DNDN) - Believe approval of Provenge is less than 2 weeks way. Raising price target to $25 and rating to BUY.** Event * Since the March 29 panel meeting for Provenge, there has been a lot of speculation regarding how the final decision from FDA will pan out. Will the FDA issue an outright approval or simply an approvable letter? * Over the past month, we have spoken with several industry experts regarding this question and have become increasingly confident that FDA will grant Provenge an approval in the next two weeks. Our reasoning is as follows: * The vote: 17-0 for safety and 13-4 for efficacy. * The panel meeting: We understand FDA often holds panel meetings to gain addition insights on certain aspects of the compound or to gain support for its decision. In this case, we believe it was the latter. * Politics: There have been several letters written by ODAC panel members advising FDA not to grant approval to Dendreon. Our research suggests that each division within FDA acts independently such that such correspondence should have little influence on the decision by OCTGT. * Need: There is a significant need for new therapies for advanced prostate cancer. Given the safety of the agent in question, w believe FDA would like to approve a drug in this indication. * Management: Despite the rally in the company's stock since the panel meeting (a high of about $25), management did not take the opportunity to raise additional capital and we do not believe they will do so prior to May 15. They currently have about 1 year of cash on hand and we feel it would have been prudent for them to raise cash, particularly on the eve of a binary event such as a PDUFA date. Given that firms approaching PDUFA dates are typically in active discussion with FDA throughout the approval process, we believe that management likely has a fairly good idea regarding the action the FDA will take. Thus, we believe this could be interpreted as a signal of management's confidence that Provenge will be approved. * We recommend buying shares of DNDN. Our 12-month price target goes to $25 from $15. Key Risks * Negative FDA action on or before May 15could negatively impact the stock. * Clinical outcomes of key ongoing trial IMPACT could fail to demonstrate a benefit of Provenge or could give rise to new safety concerns . * The commercial results for Provenge could miss expectations . Near-Term Outlook

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

* We anticipate that FDA will grant Dendreon approval for Provenge.
Long-Term Outlook
* We anticipate that Dendreon will find a partner to market Provenge in regions outside the U.S. We anticipate that Dendreon will resume development of immunotherapy for other indications. We project that the company will turn profitable in 2010.

Date: May 3 2007 9:35:13 Wire: Briefing.com Global Menu (BRF)
Briefing.com: Live Upgrades/Downgrades
UPGRADED

Company	Brokerage Firm	Ratings Change	Target
Dendreon (DNDN)	Next Generation	Neutral >> Buy	$15 >> $25

Date: May 3 2007 9:45:23 Wire: TheFlyontheWall.com (FLY)
Most active equity option families in first 10-minutes of Trading
Most active equity option families in first 10-minutes of Trading: DNDN AAPL SYMC according to Track Data.

Date: May 3 2007 10:00:39 Wire: Briefing.com Global Menu (BRF)
DNDN: Dendreon edges higher off the opening to probe its 2-week high at 18.24 (18.35 +1.15) [Update] [Technical]

Date: May 3 2007 11:16:06 Wire: TheFlyontheWall.com (FLY)
On The Fly: Initiation Summary for Thursday, May 3rd [MORE]
….OTHER INITIATIONS: AG Edwards initiated shares of Dendreon Corp (DNDN) with a Hold rating.

Date: May 3 2007 12:29:24 Wire: BLOOMBERG News (BN) --Natalie Gilbert
Dendreon Raised to `Buy' at Next Generation: DNDN US
Princeton, New Jersey, May 3 (Bloomberg Data) -- Dendreon Corp. (DNDN US) was raised to ``buy'' from ``neutral'' by analyst Liisa Bayko at Next Generation Equity Research. The price target is $25.00 per share.

Date: May 3 2007 12:33:19 Wire: BLOOMBERG News (BN) By Michael Patterson
Dendreon Shares Equal to a 2.5% Stake Trade in One Transaction
May 3 (Bloomberg) -- Dendreon Corp. shares amounting to a 2.5 percent stake were traded today in one transaction.
The 2.1-million share trade was valued at $38 million, or $18.04 a share. UBS Securities LLC reported that it was the broker on a 2 million-share transaction of Dendreon stock around the same time the block trade occurred, according to data the brokerage sent to Bloomberg.
Dendreon shares have jumped fourfold this year after a panel advising the U.S. Food and Drug Administration recommended approval of Provenge, the company's experimental prostate cancer drug. The FDA usually follows advice from its advisory panel in approving drugs for sale, though it isn't required to do so. The FDA's deadline to complete the Provenge review is May 15.
Dendreon gained 87 cents, or 5.1 percent, to $18.07 as of 12:13 p.m. in New York today.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					Date: May 3 2007 13:46:43 Wire: BLOOMBERG News (BN) --Sybil Chahbandour **Dendreon Rated New `Hold' at A.G. Edwards: DNDN US** Princeton, New Jersey, May 3 (Bloomberg Data) -- Dendreon Corp. (DNDN US) was rated new ``hold'' in new coverage by analyst Aaron Reames at A.G. Edwards & Sons Inc.
5/4/2007	47,003,606	$19.39	4.92%	2.01	*05/04/07 Piper Jaffray* **Stock Technigrade Rankings** Dendreon Corp Rank Now: 1
					Date: May 4 2007 15:37:15 Wire: TheFlyontheWall.com (FLY) **Dendreon-DNDN volatility & volume suggests Large Risk; May strad** Dendreon-DNDN volatility & volume suggests Large Risk; May straddle at $12.30 DNDN is recently up $1.25 to $19.74. DNDN Provenge has a May 15th PDUFA date. On 3/29 the FDA Advisory Panel said DNDN's Provenge is safe for prostate cancer. DNDN call option volume of 174,833 contracts compares to put volume of 72,933 contracts. DNDN May option implied volatility is above 210 according to Track Data, suggesting large risk.
					Date: May 4 2007 16:04:17 Wire: TheFlyontheWall.com (FLY) **Option Update – May 4, 2007 [MORE]** Volatility Index S&P 500 Options-VIX down .09 to 13.00. Option volume leaders today were: C, NRMX, F , BMY MOT & DNDN.
5/7/2007	27,980,404	$17.92	-7.58%	(3.15)	*May 7, 2007 Rodman & Renshaw - Michael G. King, Jr.* **Biotechnology** Upcoming FDA Dates – 1Q07 5/15: Dendreon Corporation (DNDN, Not Rated), Provenge, Metastatic, Androgen Independent Prostate Cancer.
					Date: May 7 2007 10:34:28 Wire: TheFlyontheWall.com (FLY) **Most active equity option families in first 60-minutes of Trading** Most active equity option families in first 60-minutes of Trading: DNDN YHOOAAPL AA according to Track Data.
					Date: May 7 2007 15:23:28 Wire: Briefing.com Global Menu (BRF) **DNDN: Dendreon slides to session lows as it sets up to challenge its May gap at 17.48-17.71 (17.88 -1.51) [Update] [Technical]**
5/8/2007	24,847,541	$17.74	-1.00%	(0.00)	*Date: May 8 2007 8:44:03 Wire: Briefing.com Global Menu (BRF)* **Briefing.com: Live Upgrades/Downgrades** COVERAGE REIT/PRICE TGT CHANGED* Company Brokerage Firm Ratings Change Target Dendreon (DNDN) UBS Reduce $3 >> $9

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					Date: May 8 2007 9:53:48 Wire: TheFlyontheWall.com (FLY) **Most active equity option families in first 10-minutes of Trading** Most active equity option families in first 10-minutes of Trading: AMZN CSCO HPQ DNDN according to Track Data. *Date: May 8 2007 15:45:13 Wire: TheFlyontheWall.com (FLY)* **Option Update – May 8, 2007 [MORE]** Volatility Index S&P 500 Options-VIX up .12 to 13.27. Option volume leaders today were: CSCO, AAPL, CFC, AAPL & DNDN. *May 8, 2007 Stanford Group Company. - Gregory K. Frykman* **Odds Going Down on Provenge; Pay Attention to orBec at ODAC Tomorrow** With the negative view the Food and Drug Administration (FDA) appears to have on BioPharma's orBec (beclomethasone dipropionate, BDP) – a drug whose pivotal trial results and flaws share some similarities to Dendreon's Provenge (sipuleucel-T) – combined with the energetic letter-writing campaign to the agency arguing against the approval of Provenge, we have revised our probability downwards from 80% to 40% that the drug will be approved by the FDA on or before May 15. We have noted in at least two instances in the last two years in which this approach has yielded the opposite regulatory outcome from that recommended by the requisite FDA advisory committee. These are, to the best of our knowledge, silicone breast implants and muraglitazar. In each case, as we can best recall, the chairman or former chairman of a relevant advisory committee authored an unsolicited letter to one or more senior FDA managers advising to strongly rethink a recent advisory committee vote to recommend approval. And, in both cases, the decision was the opposite of that recommended by the advisory committee. While we have not previously opined on the regulatory prospects for orBec, we do note some regulatory parallel between the two products: namely a claim of a survival from studies in which survival was not the primary efficacy endpoint, and which appears to have been unexpectedly demonstrated. Given the brevity of the FDA's briefing document and the unequivocal finding that the drug is ineffective – combined with the recommendation that the ODAC and not other advisory committees should be the sole adjudicator of controversial applications (drug or biologic) of cancer therapeutics; we conclude that Wednesday's discussion of orBec should be considered applicable to Provenge. We will go one step further and suggest that CDER management may use criticism about the trial design and results for the BDP pivotal study, expected during Wednesday's ODAC discussion, to argue against the approval of Provenge by the Center for Biologics Evaluation and Research (CBER).
5/9/2007	132,177,562	$6.33	-64.32%	(27.69)	*Date: May 9 2007 5:30:08 Wire: PR Newswire: U.S. (PRN)* **Dendreon Receives Complete Response Letter From FDA for Provenge(R) Biologics License Application** SEATTLE, May 9 /PRNewswire-FirstCall/ -- Dendreon Corporation (Nasdaq: DNDN) today announced that it received a Complete Response Letter, commonly referred to as an "approvable" letter, on May 8, 2007 from the U.S. Food and Drug Administration (FDA) regarding its Biologics License Application (BLA) for PROVENGE (sipuleucel-T) for the treatment of asymptomatic, metastatic, androgen-independent (also known as hormone refractory) prostate cancer. The FDA has requested additional clinical data in support of the efficacy claim contained in the BLA. The Company is seeking a clarification from the FDA as to the nature of the data that is being requested. The FDA has also requested additional information with respect to the chemistry, manufacturing and controls (CMC) section of the BLA, which the Company believes it can supply to the FDA in a timely manner.

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"Given our strong belief in the survival benefit and safety profile of PROVENGE, coupled with the positive outcome of the Advisory Committee meeting, we are disappointed that this decision will cause a delay in the availability of PROVENGE for patients who suffer from advanced prostate cancer," said Mitchell H. Gold, M.D., president and chief executive officer of Dendreon. "We are committed to working closely with the FDA to resolve these questions in a timely and efficient manner to bring PROVENGE to patients with advanced prostate cancer who currently have few appealing treatment options."

On March 29, 2007, the FDA's Office of Cellular, Tissue and Gene Therapies Advisory Committee was asked if the submitted data established that PROVENGE is reasonably safe and whether there is substantial evidence that the product is efficacious. The Advisory Committee voted 17 to 0 in favor of the safety of PROVENGE and 13 to 4 in favor of the efficacy of PROVENGE.

PROVENGE Biologics License Application

Dendreon's BLA was submitted under a Fast Track designation and was accepted for filing by the FDA in January 2007. The BLA was based primarily on a multi-center, randomized, double-blind, placebo-controlled Phase 3 study (D9901) that showed that the group of men with asymptomatic, metastatic, androgen-independent prostate cancer who received PROVENGE had a median survival time 4.5 months longer than the median survival seen in the group that had been assigned to receive placebo. For the men who received PROVENGE, there was a 41 percent overall reduction in the risk of death (p-value = 0.010; HR = 1.7). In addition, 34 percent of patients receiving PROVENGE were alive 36 months after treatment compared to 11 percent of patients randomized to receive placebo.

Treatment with PROVENGE was generally well tolerated. The majority of side effects were mild, including infusion-related fever and chills that were usually of low grade and typically lasted for one to two days following infusion.

Ongoing Clinical Study

IMPACT (IMmunotherapy for Prostate AdenoCarcinoma Treatment) also known as D9902B, is an ongoing Phase 3 clinical trial measuring overall survival in men with hormone-refractory prostate cancer receiving PROVENGE versus those receiving placebo.

In order to be eligible to participate in the IMPACT study, a person must meet certain criteria, such as having cancer that has spread outside the prostate (metastatic) or cancer that has worsened while on hormone therapy among other additional criteria. Interested patients should contact the Dendreon Prostate Cancer Information line at 1-866-4PROSTATE (1-866-477-6782).

Date: May 9 2007 5:53:24 Wire: BLOOMBERG News (BN) By Christopher Elser

Dendreon Says U.S. FDA Wants More Data on Prostate Treatment

May 9 (Bloomberg) -- Dendreon Corp., whose shares have risen fourfold this year, said U.S. regulators want more data on its prostate cancer medicine, delaying the approval of the treatment.

The Food and Drug Administration asked for information supporting the efficacy claim for the product, the Seattle-based company said today in a PRNewswire statement. Dendreon said it is seeking clarification on the agency's request.

The drug, called Provenge, is the first of a new class designed to trigger the body's immune system to attack tumors. While Provenge prolonged lives of patients with advanced prostate cancer in one study presented to an FDA advisory panel last month, the drug didn't meet the trial's primary goal of slowing the spread of the disease.

Date: May 9 2007 6:08:43 Wire: Briefing.com Global Menu (BRF)

DNDN: Dendreon receives Complete Response Letter from FDA for Provenge

Biologics License Application (17.74)

Co announces that it received a Complete Response Letter, known as an "approvable" letter, on May 8, 2007 from the FDA regarding its Biologics License Application for PROVENGE for the treatment of asymptomatic, metastatic, androgen-independent prostate

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

cancer. The FDA has requested additional clinical data in support of the efficacy claim contained in the BLA. The co is seeking a clarification from the FDA as to the nature of the data that is being requested. The FDA has also requested additional information with respect to the chemistry, manufacturing and controls section of the BLA, which the co believes it can supply to the FDA in a timely manner.

Date: May 9 2007 6:53:52 Wire: BLOOMBERG News (BN) By Christopher Elser and Luke Timmerman

Dendreon Says FDA Wants More Data on Prostate Drug (Update2)

May 9 (Bloomberg) -- Dendreon Corp., whose shares have risen fourfold this year, said U.S. regulators want more data on its prostate cancer medicine, delaying the approval of the company's first product. The shares fell in Germany.

The Food and Drug Administration asked for information supporting the efficacy claim for the experimental medicine, the Seattle-based company said today in a PRNewswire statement. Dendreon said it is seeking clarification on the agency's request.

The drug, called Provenge, is the first of a new class designed to trigger the body's immune system to attack tumors. While Provenge prolonged lives of patients with advanced prostate cancer in one study presented to an FDA advisory panel earlier this year, the drug didn't meet the trial's primary goal of slowing the spread of the disease.

``We are disappointed that this decision will cause a delay in the availability of Provenge for patients who suffer from advanced prostate cancer,'' said Mitchell H. Gold, president and chief executive officer of Dendreon. ``We are committed to working closely with the FDA to resolve these questions in a timely and efficient manner.''

The agency also asked for information on the chemistry, manufacturing and controls on the drug.

Dendreon shares fell 3.91 euros to 9.10 euros ($12.32) in Germany after closing at $17.74 yesterday in Nasdaq Composite trading. They started the year trading at $4.17 in the U.S.

Blockbuster Potential

Many investors had been betting Dendreon would fail to get approval. About 33.9 million shares were held in a short positio in April, more than double the number in January, according to data compiled by Bloomberg. Short-sellers try to profit by borrowing stock, selling it, buying back cheaper shares later and pocketing the difference.

The drug extended patients' lives with few side effects in smaller clinical trials, and Dendreon had hoped it could become an immediate new option for the disease, which kills 27,000 men a year in the U.S. Analysts estimated that Provenge had U.S. sales potential of about $1 billion a year.

Provenge would have been the first marketable product for Dendreon, which was founded in 1992. The company has been attempting to become the first drugmaker to market a medicine to stimulate the body's immune system to attack cancer.

`Cancer Vaccines'

Others in the field include Cell Genesys Inc. of South San Francisco, California, and Antigenics Inc. of New York. The treatments are sometimes called ``cancer vaccines'' even though they don't prevent people from getting the disease.

Dendreon's only other product in clinical development is an immune-stimulator against breast cancer. The company had an accumulated deficit of $392 million through the end of 2006, according to its annual report.

The last drug approved by the FDA to prolong survival in prostate cancer was Taxotere, a chemotherapy drug from Paris- based Sanofi-Aventis SA. That medicine was approved in May 2004.

Taxotere showed a median survival edge of 2.5 months compared with patients on another chemotherapy, according to the FDA

Dendreon's first trial of 127 men showed that patients on Provenge lived a median 25.9 months, compared with 21.4 months for those on a placebo. A second trial of 98 men showed a median survival of 19 months, compared with 15.7 months for those taking a placebo. That finding wasn't valid because it didn't reach a statistical threshold, the company said.

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Incubated Blood Cells

Both studies failed to show the drug slowed the cancer's spread, which was their primary goal. Dendreon says the measurement of whether Provenge was slowing the cancer's progress may have been carried out too early in the studies to detect the drug's ability to generate an attack by the immune system.

The most common side effects observed were fever and chills that lasted one or two days, according to the company.

The drug, called an immunotherapy, doesn't work like a traditional cancer treatment.

Blood is drawn from a patient, and some white blood cells vital to the immune system are separated in a lab. The white blood cells are shipped to the company and incubated with a genetically engineered protein found on prostate cancer cells. The white blood cells are supposed to recognize the protein as an invader and attack the cells that contain it. The revved-up white blood cells are then sent back and re-infused into the patient.

Date: May 9 2007 7:01:37 Wire: TheFlyontheWall.com (FLY)

Dendreon-DNDN volatility suggested Risk into FDA request for more support data DNDN is recently trading at $7.71 in pre-open trading, below its close of $17.74. The FDA has requested additional clinical data in support of the efficacy claim contained in the Biologics License Application for DNDN's Provenge for prostate cancer. DNDN May option implied volatility is above 210 according to Track Data, suggesting large risk.

Date: May 9 2007 7:45:00 Wire: BLOOMBERG News (BN) By Alexander Ragir

Barnes Group, Cisco, CompuCredit, Dendreon: U.S. Equity Preview

May 9 (Bloomberg) -- The following is a list of companies whose shares may have unusual price changes in U.S. exchanges today. This preview includes news that broke after exchanges closed yesterday. Stock symbols are in parentheses after company names. Share prices are as of 7:30 a.m. New York time.

Dendreon Corp. (DNDN US) plunged $10.79, or 61 percent, to $6.95 in trading before U.S. exchanges opened. The company, whose shares have risen fourfold this year, said in a statement on PRNewswire that U.S. regulators want more data on its prostate cancer medicine, delaying the approval of the company's first product. The Food and Drug Administration asked for information supporting the efficacy claim for the experimental medicine. Dendreon said it is seeking clarification on the agency's request.

Date: May 9 2007 7:49:47 Wire: TheFlyontheWall.com (FLY)

Dendreon-DNDN: Technical Alert: Disaster Du Jour [MORE]

Shares are down over (-63%) in the pre-market following an FDA request for more data supporting the efficacy claim of Provenge. This will likely be more of an options story than a technical one, as it has from the start of speculation in the name. At current price shares have filled a majority of the bullish gap up from late March. Support levels to be aware of as possible further downside targets are at $6.52, $6.41, $6.27, $6.17, $6.01, $5.92, $5.78, $5.67, $5.56, $5.46. Resistance is at $7.03, $7.23, $7.40, $7.53, $7.84, $8.00, $8.20, $8.35, $8.55, $8.74, $8.88, $9.06. The name may still give traders a wild price swing ride in either direction though albeit at much lower absolute price levels than yesterday.

Date: May 9 2007 7:57:35 Wire: Briefing.com Global Menu (BRF)

DNDN: Dendreon: Current Phase III Trial of D9908B higher risk due to sicker patients; expect weakness in cancer vaccines, biotechs - Dawson James (17.74) [Update]

Boutique firm Dawson James notes last night the FDA issued an "Approvable Letter" to DNDN requiring more clinical data for

Dendreon Securities Litigation

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Provenge. As firm expected, they believe the FDA wants at least interim data from the ongoing 500-patient D9902B trial; interim data is not expected until 1H08. Firm says investors should note that the current Phase III Trial has a higher-risk. A significant risk is that the ongoing D9902B trial will be enrolling patients with more advanced prostate cancer having Gleason Scores over 7 and also those patients experiencing pain, which could lower Provenge's survival benefit of 21% over placebo. Firm expects weakness in cancer vaccines (CEGE, AGEN, GTOP, FVRL) and biotechs.

Date: May 9 2007 8:01:51 Wire: TheFlyontheWall.com (FLY)
Dendreon-DNDN May 17.5 straddle priced for $13 move into FDA request for more data
DNDN is recently trading at $7.85 in pre-open trading, below its close of $17.74. The FDA has requested additional clinical data in support of the efficacy claim contained in the Biologics License Application for DNDN's Provenge for prostate cancer. DNDN May straddle 17.5 went out at $13 according to Track Data, suggesting a potential $13 move.

9 May 2007 HSBC Global Research - Nam Park, Carolyn Poon
CreaGene and Dendreon
Dendreon's Provenge appears close to US FDA approval…
A key rival to CreaGene is Dendreon Corp (DNDN) Dendreon's share price soared recently, post the US FDA advisory panel's 13-4 vote in favour of the efficacy of the firm's prostate cancer drug candidate, Provenge, announced end-March.
Based on dendritic cell therapy (like CreaGene's drugs) Provenge awaits its PDUFA (Prescription Drug User Fee Act) review date, slated for 15 May 2007, but a debate currently rages over whether Provenge will be approved.
Whilst the FDA rarely goes against the panel's vote, there are question marks over Provenge's efficacy. It appears possible that the FDA may issue an Approvable letter, which may lead to the requirement for further clinical trials and delay the drug's commercial launch.
Dendreon's BLA application for prostate cancer had two late-stage patient studies. Both studies did not achieve their original endpoints, but one of the studies showed that patients on average lived 4.5 months longer. Median OS was 25.9 months compared to 21.4 months for the placebo group. This is much better than results from clinical trials from Taxotere, a chemotherapy drug, where median OS is about 2.5 months.

9 May 2007 Canaccord Adams - Joseph Pantginis, Ben Sun
Life Sciences -- Emerging Therapeutics
The Dawn Of Cancer Immunotherapy?
Will May 15 continue to validate the cancer immunotherapy space?
May 15 is the PDUFA date for Dendreon's Provenge for late-stage prostate cancer. The product had a successful advisory committee meeting on March 29, 2007 (17-0 on safety and 13-4 on efficacy); however, there still is quite a bit of controversy as to whether Dendreon will receive a full approval for the drug or an Approvable Letter pending further data from an ongoing Phase 3 (2009-2010 timeframe). In general, the FDA usually follows the recommendation of the advisory committee; however, the Provenge event is laced with controversy and emotion. The current options market also appears to be undecided with Dendreon's May $17.50 options having calls and puts premiums of $5.90 and $7.00 respectively, implying great volatility around this event.
We are erring on the side of conservatism and predict Dendreon will receive an Approvable Letter on or before the May 15 PDUFA date. However, there still is a new layer of visibility as the FDA has sent a clear signal indicating its desire to engage the cancer immunotherapy space. One or more players in the space should ultimately prevail.

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Should Dendreon receive and Approvable Letter rather than a full approval, we believe the resulting negative impact on Dendreon will also pull down Cell Genesys (CEGE : NASDAQ US$4.55 | BUY, Target US$7.00) and all cancer immunotherapy stocks.
Accordingly, we suggest that although we remain positive on Cell Genesys' investment case, investors who bought Cell Genesys at its recent lows may want to realize some profits (short-term perspective) ahead of the upcoming Dendreon PDUFA date.
Dendreon To Break The Glass Ceiling For Cell Genesys And Others?
Cancer immunotherapy space has outperformed, but can it last?
After the March 29 Provenge advisory committee, the cancer immunotherapy space has outperformed both the general market as well as the NASDAQ Biotechnology index (NBI).
The average one-day gain on March 30 was 15.7% (range -2% to +147%) with the largest gainers being Dendreon and Cell Genesys.
As is shown in Figure 2 below, the relative performance of cancer immunotherapy stocks have tracked with Dendreon's performance. This has been due to Dendreon's success and the subsequent "shining of light" on the cancer immunotherapy space. With that said, we believe the group will continue to track with Dendreon. Should Dendreon receive a full approval for Provenge, we expect the companies indicated in Figure 1 to react quite positively on the news. However, the opposite will be true should Dendreon receive an Approvable Letter, and we would expect weakness across the group – which is what we are anticipating.
For either decision, we do expect the eventual "de-coupling" of the group from tracking Dendreon's performance and that valuation will again be based on the individual merits of seach company and whether it meets outlined milestones and clinical measures. To this end, we continue to highlight Cell Genesys as a top player in the space (highlighted below).

9 May 2007 Canaccord Adams
Investment and Trading Update
Trading in Cell Genesys stock has been linked recently to the performance of Dendreon, and in this vein, the 15 May 2007 PDUFA data for Dendreon's Provenge remains a critical catalyst for the whole immunotherapy space. Should Dendreon receive an Approvable Letter rather than full approval, we believe the resulting negative impact on Dendreon will also pull down Cell Genesys.
Accordingly, we suggest that although we remain positive on the Cell Genesys investment case, investors who bought Cell Genesys at its recent lows may want to realise some profits ahead of the upcoming Dendreon PDUFA date. We believe Dendreon will get a full approval based on the strength of the advisory committee votes on safety and efficacy; however, an approvable letter will be based on waiting for data from its ongoing Phase 3 (2009-2010 timeframe).

May 9, 2007 Credit Suisse
U.S. News & Credit Suisse Research with Global Implications
Biotech company Dendreon Corp (DNDN, $17.74) saw shares plummet 64.32% after U.S. regulators demanded more data before approving the company's therapeutic cancer vaccine. The FDA wanted additional clinical data to support its effectiveness.

9 May 2007 Jyske Bank - Peter Bertram Andersen
Equity Research * Health Care
Accounts overshadowed by Dendreon
The accounts will be a non-event – the FDA demands further data on Dendreon
Friday's Q1 accounts from Pharmexa will unfortunately be overshadowed by the fact that the US health-care authorities (the FDA) has today asked the US biotech company Dendreon for more data before they can approve Dendreon's Provenge drug (prostate cancer). Otherwise, Provenge could have been the first product within active immune therapy (Pharmexa's area of research) to be

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approved. Such approval could have had a positive spill-over effect on Pharmexa since it would have been a seal of approval of active immune therapy. Consequently, the large pharmaceutical companies would have been more interested in concluding agreements with e.g. Pharmexa. Hence, we restate our SELL recommendation up to the release of the accounts.

May 9, 2007 Brean Murray, Carret & Co. - Jonathan Aschoff, Ph.D.
Dendreon Corp. (DNDN/NASDAQ) - FDA Requests Additional Clinical Data; Expecting IMPACT Trial to Fail Investment
Summary
* More clinical data requested. The FDA asked Dendreon for additional clinical data, and we believe that the requested data will constitute more than just the ongoing IMPACT trial. We believe that a second trial will be required because Dendreon will seek clarity on what the FDA means by "additional clinical data" and we believe that the FDA would have specified a positive IMPACT trial as the only requirement if the agency was comfortable with that request.
* Expecting IMPACT trial to fail. We believe that the IMPACT trial will ultimately fail because it will be properly randomized and therefore will not be as imbalanced in its patient randomization as the original D9901 trial was. It is always easier to properly randomize larger trials than smaller trials, and IMPACT enrolled 500 patients, whereas D9901 enrolled 127 patients and D9902A enrolled 98 patients. 500 patients is also a more robust trial given its size – a higher bar to hurdle. Recent FDA briefing documents for orBec and mifamurtide make it clear to us that only one prospectively defined Phase 3 trial is required if the result of one large Phase 3 trial is crystal clear, thereby rendering another trial unethical; we do not expect IMPACT to deliver crystal clear results and therefore we expect a second trial to be required. The FDA also wants to see more data on how Dendreon manufactures PROVENGE, but this data can likely be provided near-term.
* Price action going forward and solvency. We view $4-$5 as a reasonable price for DNDN shares over the next several months. Ultimately cash value is most appropriate, currently about $100M, or about $1.25 per share. We expect current cash to be able to fund operations through 2Q08 and therefore expect Dendreon to require a considerable amount of capital in order to remain solvent through the 2010 final analysis of the IMPACT trial, given our projected Dendreon cash burn rate of about $70 to $80 million per year. We expect the IMPACT trial to take until 2010 because the interim analysis in 2008 will be too soon to see any survival benefit, in our view.
Discussion
* FDA briefing documents for both IDM Pharma and DOR Pharma indicate that "substantial efficacy" has not been shown by Dendreon. The briefing documents describe DOR's orBec and IDM's mifamurtide as failing to show "substantial efficacy" in their Phase 3 trials. We further expect to see these Advisory Panels shed light on the definition of "substantial efficacy" today and therefore demonstrate how far away Dendreon was from "substantial efficacay".
IDM Pharma. We paraphrase some of IDM's briefing summary: IDM has failed to demonstrate that mifamurtide provides substantial evidence of efficacy. IDM presents the results of a single, large, multicenter study conducted in approximately 600 osteosarcoma patients. Ordinarily, two Phase 3 trials are required for licensure, unless a single trial is well designed, well conducted, internally consistent and provides statistically persuasive efficacy findings, as discussed in the May 1998 "Guidance for Industry: Providing Clinical Evidence of Effectiveness for Human Drugs and Biological Products". Dendreon's Phase 3 AIPC trials, however, contain relevant randomization imbalances, lack internally consistent endpoints, failed their primary endpoints, were conducted in a confounding crossover manner, and do not have a post hoc survival benefit that was replicated in the trial D9902A.
* DOR Pharma. We paraphrase some of DOR's briefing summary: DOR's NDA contains two randomized trials (one major and one supportive). The FDA's findings are: 1. The major trial designed to prove orBec's efficacy failed its primary endpoint. 2. Therefore any other analyses, whether pre-specified based on secondary endpoints or the result of retrospective data collection, are exploratory and

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hypothesis generating. This conclusion is based on the fact that additional analyses increase the probability of a false positive result. 3. The major trial designed to prove efficacy had at least one imbalance between treatment arms, although the importance of this is unknown. 4. The applicant's post-hoc proposal to combine data from the major trial and the supportive trial based on post-hoc analysis and endpoints is problematic because of differences between the trials. Again, Dendreon's Phase 3 AIPC trials have several of these deficiencies.

* Valuation. We reiterate our Sell rating and target price of $1.50, which is based on our lack of faith in PROVENGE approval and therefore our cash per share valuation.

* Risks. Risks applicable to DNDN not achieving our $1.50 target price include: (1) successful product development; (2) successful business development; (3) successfully competing; and (4) market risk involving positive share-price trends in the biotech sector in general.

5.9.2007 McAdams Wright Ragen - Paul C. Latta, CFA Dendreon Corporation (DNDN)

Easy Come, Easy Go? $6.33| HOLD

* Dendreon received an approvable letter from the FDA regarding its prostate cancer treatment Provenge. The approvable letter could result in a delay to approval by as much as three years, using the most likely worst case scenario.

* Management is seeking clarification as to the nature of the additional data requests, and has not yet provided an estimated time frame for resolution. The FDA has made two requests; one for additional efficacy data, the other for addition chemistry, manufacturing and controls data.

* We hope to hear more from DNDN soon about its timeline, perhaps with the upcoming EPS report. The 10-Q filing deadline is May 15th.

* We are retaining our Hold rating, but would note that we expect the stock to be quite volatile in the near term with a bias to the downside.

Dendreon received an "approvable" letter from the FDA regarding its prostate cancer treatment candidate Provenge. The FDA has requested additional clinical data in support of the efficacy claim. The FDA has also requested additional information on the chemistry, manufacturing, and controls (CMC) section of the BLA. While it appears the CMC requests are resolvable in a timely manner, the clinical data requests have a less certain timeline as the company seeks additional clarification from the FDA as to the exact nature of the data that is being requested.

Some investors may have been surprised at the outcome of the FDA meeting in view of the positive panel meeting as well as the excellent safety profile for Provenge and limited treatment options for patients. We would note that an approvable is not inconsistent with the positive panel meeting, as the door is still open for approval at a later date (or stated another way, the approvable is not a rejection and is therefore still consistent with the panel). The stock has traded down sharply on the news as the approvable letter appears to be resonating with fears of potential multi-year delays, the risk of not being able to pass another clinical trial, and the possibility that competitors such as Cell Genesys advance while Provenge remains stalled. We would note that, based on other FDA approvable letters from other companies, there are a range of possible outcomes to today's announcement. It is difficult to determine exactly what the key points of discussion and contention might be in view of the fact that an approvable letter is private communication between the FDA and the company (which, by the way, implies that all of the information about the approvable letter will be passed through the prism of Dendreon investor relations and communications.) Nevertheless, based on previous approvable letters at other companies we believe there are a number of possible scenarios, both positive and negative, as listed below (in order from best to worst).

* The best case-scenario would likely amount to a reconstitution of existing clinical data that might amount to only a short several

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month delay. This would have the advantage of allowing Dendreon to complete enrollment in the IMPACT study

* Along similar lines there have been a handful of examples of the FDA requesting additional animal studies to more fully elucidate a particular mechanism of action. This may also amount to a relatively short delay – perhaps a year. Some investors have suggested that the FDA break the IMPACT study at the interim analysis, likely in 2008, and if the data is good, move forward with the approval at that time. A disadvantage here is that, based on the length of time it took for curves to separate in the DD-9901 trial, it would seem unlikely for survival p-values to have reached statistical significance at that point.

* The most frequently mentioned scenario is that the FDA simply awaits completion of the ongoing IMPACT study, due in 2010. Note that in this event, investors will not only face the risk that IMPACT could fail, but also will need to wait over three years for the trial to report survival data, leaving the door open to advances by competitors.

* Some investors have suggested that the FDA could request a completely new trial, in view of protocol adjustments to IMPACT and the changing standard of care in prostate cancer (i.e. taxotere). Again, we view this as unlikely, but such a trial would likely amount to a four year plus delay in addition to the normal risk of passing the trial.

* Lastly, we would acknowledge the scenario of "none of the above." We feel it is important to recognize this scenario mainly because approvable letters are confidential communications between the FDA and the company. It is not uncommon for investors to never learn to why a drug was regarded as approvable. Further many of the reasons for an approvable can be highly unique to a particular drug or process, with a corresponding unique plan of action required to move the drug to the approval stage.

The FDA has also requested additional information about the CMC section, and while management believes it can supply the information in a timely manner, the company did not quantify "timely." This implies that the "rate limiting step" of the approva process will likely be the efficacy data request, not the CMC data request. However, in view of the fact that the company is still seeking clarification on the efficacy data request, it is possible that in the right set of circumstances, the CMC data request could wind up taking longer than efficacy data request. As with the efficacy data, there are a range of possible CMC outcomes depending on what the FDA is looking for. For example, just last quarter, Pfizer received an approvable letter on fesoterodine (overactive bladder) related to its CMC processes that resulted in a two year delay. So while in all probability, the CMC data request will be shorter than the efficacy data request, there is clearly no guarantee that the CMC section will be just a quickly resolvable administrative matter.

With the stock price now down sharply, we were a little disappointed that the company was not able to execute some portion of its $200 million shelf filing, as we suggested in our last note. While we have not yet ascertained whether there were any legal restrictions that handcuffed the ability to execute an offering, the balance sheet may nevertheless be on the light side in the event that the company needs to complete a three year long Phase 3 trial. Cash and equivalents amounted to $121.1 million at the end of the fourth quarter. We are presently estimating cash burn of $70 million for 2007, but expect management to provide additional guidance when earnings are reported.

Speaking of earnings, Dendreon has not yet reported its first quarter earnings and the filing deadline of May 15th is rapidly approaching. We suspect the company is hunkered down attempting to elucidate more fully the communication with the FDA so it can lay out spending plans and strategic goals for investors when earnings are reported. We would hope a conference call will follow. With the Provenge FDA decision now in the rear view mirror, and little else in the late stage pipeline (Neuvenge is in Phase 1), there are very few clinical catalysts for the stock other than meeting the two FDA requests. And as noted above, these events could be either a few short months away or perhaps more likely several years away.

In our previous note (March 30th) we rated the stock Hold and felt that based on a probability weighted valuation model, investors should be buyers of the stock below $8, or sellers of the stock above $15. In view of the changed fundamentals, we feel it is prudent to lower these bands to reflect the setback. However, given the lack of clarity on the timeline and limited non-FDA catalysts, we are reluctant to be buyers of the stock unless the stock revisits its previous lows (i.e. mid $3s). We would be sellers of the stock, if the

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stock revisits the double digits (i.e. $10). We may narrow these limits once we have more clarity on the timeline.

May 9, 2007 Next Generation Equity Research - Liisa Bayko
Dendreon (DNDN) - Dendreon receives approvable letter for Provenge. Lowering target to $5 and rating to SELL.
Event
* Yesterday, Dendreon was issued an 'approvable letter' by FDA for its immunotherapy Provenge. Given the positi ve outcome of the panel meeting on March 29, we had anticipated an outright approval.
* According to the press release issued by the company, additional information regarding the immunotherapy's efficacy and manufacturing will be required prior to approval. We interpret this action as meaning: 1) FDA would like to see confirmation of survival benefit in the ongoing IMPACT trial (due in 2010) and 2) Additional information regarding manufacturing.
* We had hoped that management would have hosted a conference call to discuss the notice from FDA but no such call has yet to be scheduled. We anticipate an update on the company's quarterly conference call, the date of which has not yet been announced.
* The approvable letter for Provenge delays our expectations for launch until at least 2011. In addition, because approval now depends upon the results of the IMPACT trial, this exposes the firm to risk that the trial does not demonstrate the requisite improvement in survival.
* In addition, we believe the company has lost a key competitive advantage over other immunotherapies in development for advanced prostate cancer, including Cell Genesys' GVAX. Data from the phase 3 program for GVAX comes due in 2009/2010.
* The company has about $100 million of cash, representi ng about 1 year of cash. We believe the company will need to raise money in the coming months and will likely need to lower its burn rate to minimize dilution until the next major catalyst which would be data from the IMPACT trial in 2010. We also believe that this announcement lowers the firm's ability to establish an ex-US partnership for the immunotherapy.
* Given the above, we recommend selling shares of DNDN. Our price target goes to $5 from $25.
Key Risks
* Clinical outcomes of key ongoing trial IMPACT could fail to demonstrate a benefit of Provenge or could give rise to new safety concerns .
* The commercial results for Provenge could miss expectations .
Near-Term Outlook
* We anticipate that the company will raise capital to fund development of Provenge.
Long-Term Outlook
* We anticipate results from the IMPACT trial to become available in 2010 leading to an approval in 2010, should a survival benefit be observed.
Valuation and Recommendation
* Our $5.00 12-month price target is based on a 50 multiple applied to our 2011 earnings estimate discounted at a rate of 45%. This represents about the average multiple afforded to emerging biotech firms, discounted to reflect the risk associated with the approval of Provenge.

May 9, 2007 Needham - Mark Monane, Richard Yeh
Dendreon Corporation - DNDN: Downgrading to HOLD (was BUY) as PROVENGE Received APPROVABLE Letter from FDA; Uncertainty on Provenge Development Path, Long Clinical Trial Likely Needed
Dendreon announced this morning that it received an APPROVABLE letter from FDA for its lead drug PROVENGE (sipuleucel-T)

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for the treatment of asymptomatic, metastatic, hormone-refractory prostate cancer (HRPC). According to the Company, the agency requested additional clinical data with regards to the efficacy of the drug and further information about the chemistry, manufacturing and controls (CMC) section of the BLA. In light of the FDA's decision, we believe that PROVENGE approval will increasingly depend on the outcome of the currently ongoing Phase 3 IMPACT trial (B9902B), which we expect to report top-line data in the 2H08/1H09 timeframe. While we continue to be enthusiastic about PROVENGE's market potential for this disease setting, given the uncertainty of the development path and expected lack of significant news flow in the next 12-18 months, we are downgrading the stock to HOLD (was BUY). We expect the stock to be down significantly today, based on today's news and our decision analysis model.

* Recall that on March 29, 2007, FDA's Cellular, Tissue and Gene Therapies Advisory Committee voted 13-4 on efficacy and 17-0 on safety in favor of PROVENGE. Dendreon's BLA submission is based largely on the D9901 Phase 3 trial that tested PROVENGE in 127 patients, which the study demonstrated a 4.5 month survival difference. In addition, a 41 percent overall reduction in the risk of death was also seen.

* We expect the DNDN news to negatively impact other cancer vaccine/active immunotherapy companies in our coverage universe, including CEGE, FVRL, and AGEN.

* DNDN ended 4Q06 with approximately $121MM in cash and cash equivalents. Based on the current burn rate, we estimate that the company's 2007 operating expenses should be approximately $115MM (with a net burn rate of $112MM). We expect that Dendreon's current cash levels to last into 2008.

NEWSWORTHY EVENTS EXPECTED WITHIN THE NEXT 3-6 MONTHS

- Await further update on FDA requests in approvable letter (2Q/3Q07);
- Complete enrollment of D9902B Phase 3 PROVENGE trial (YE07);
- Report interim look of D9902B Phase 3 PROVENGE trial (1H08);
- Seek ex-US corporate partnership for PROVENGE (ongoing).

RECENT AND EXPECTED UPCOMING EVENTS:

PROVENGE (SIPULEUCEL-T)

* Report full D9902A dataset presentation at the ECCO Meeting in Paris (October 31, 2005);
* Complete construction of NJ manufacturing facility (mid-06);
* Publish D9901 Phase 3 results in a peer reviewed journal;
* Report top-line data on Phase 3 P-11 trial in AIPC (4Q06);
* Report additional data from Phase 3 trial of PROVENGE D9901 study at upcoming medical meeting (4Q06)
* Submit BLA application of PROVENGE to the FDA on rolling basis (3Q06) and complete the submission of the BLA (4Q06) ;
* Received Fast Track Status from FDA for PROVENGE BLA application (May 15, 2007 PDUFA date)
* Await PDUFA date for completion of PROVENGE BLA review (May 15, 2007);

- Await further update on FDA approvable letter (2Q/3Q07);
- Complete enrollment of D9902B trial (YE07);
- Report interim look of D9902B Phase 3 PROVENGE trial (1H08);
- Seek ex-US corporate partnership for PROVENGE (ongoing).

APC 8024 (LAPULEUCEL-T)

- Initiate Phase 2 trial for APC8024 in breast or other Her2/neu-related cancer (2007).

TRP-8

* Report Trp-8 preclinical data at the Ion Channel Target Conference in Boston, MA (September 2005);

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

- Select lead clinical candidates from the Trp-p8 program (1H07);
- Seek partnership for Trp-p8 program (ongoing).

FINANCIAL ANALYSIS

DNDN ended 4Q06 with approximately $121MM in cash and cash equivalents. In November 2006, Dendreon raised ~$45 MM from the sale of 9.89 M shares of common stock directly to select institutional investors. Based on the current burn rate, we estimate that the company's 2007 operating expenses should be approximately $115MM (with a net burn rate of $112MM). We expect that Dendreon's current cash levels to last into 2008.

VALUATION ANALYSIS

In the wake of FDA's decision to grant an approvable letter for Dendreon's PROVENGE, we expect the stock to trade in the $6-9 range. With a product launch in 2011, based on a positive D9901B trial result in 2010, a peak sale of ~$1B in 2015, and a sales multiple of 5, our projected enterprise value of $614MM was derived using a 35% discount.

INVESTMENT RISKS

Developmental risk: The D9902B trial may fail to meet efficacy endpoints. Dendreon is developing its lead product PROVENGE for the management of hormone refractory prostate cancer. The major driver will be the Phase 3 trial (D9902B) results in prostate cancer; while the results will be binary in nature, we believe the design and conduct of the current Phase 3 trial favor are solid. While the D9901 data were compelling in our opinion, the D9902 data, which did not show benefit in TTP, add uncertainty going forward. We note the encouraging D9902A survival data reported in 3Q05.

The volume of projects now under way may represent a challenge for this 160- person company. However, a seasoned management team leads the company, with expertise in product development and commercialization and past experience in biotechnology, big PHARMA, able and academia.

Regulatory risk: Dendreon may not obtain regulatory or marketing approval for its product candidates. The company may fail to obtain regulatory approval to market its product candidates. We believe that if the clinical trial results meet the desired endpoint, the cancer vaccine approach, although novel, may achieve regulatory success. The company received an approvable letter in May 2007.

Commercialization risk: Dendreon may not be successful in commercializing PROVENGE and may be unable to generate significant revenue to continue operating the core business, as this is the company's first drug to market. With regard to commercialization, GAMBRO will be responsible for blood sample collection and distribution. GAMBRO has 550 sites in the US and 600 sites in Europe, including 60 high-volume centers. Dendreon recently hired several key personnel in the sales and marketing field, including James V. Caggiano, who recently led the marketing operation for Lupron, a billion-dollar prostate cancer drug by TAP. Dendreon is currently constructing a manufacturing facility in New Jersey. In addition, we believe a large unmet need exists for the target audience of hormone refractory prostate cancer patients, and that a focused sales force may be successful in diminishing the commercialization risk.

Financial risk: As of the end of 4Q06, Dendreon has approximately $121MM in cash, cash equivalents, and marketable securities. In November 2006, Dendreon raised ~$45MM from the sale of 9.89MM shares of common stock directly to select institutional investors. Based on the current burn rate, we estimate that the company's 2007 operating expenses should be approximately $115MM (with a net burn rate of $112MM). We expect Dendreon's current cash levels to last into 2008.

Date: May 9 2007 9:48:47 Wire: BLOOMBERG News (BN) By Lynn Thomasson

Allscripts, Cisco, Dendreon, Foster Wheeler: U.S. Equity Movers

May 9 (Bloomberg) -- The following is a list of companies whose shares are having unusual price changes in U.S. exchanges today. Stock symbols are in parentheses after company names. Share prices are as of 9:30 a.m. New York time.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

Dendreon Corp. (DNDN US) plunged $10.64, or 60 percent, to $7.10 and traded as low as $7. The company, whose shares have risen fourfold this year, said in a PRNewswire statement that U.S. regulators want more data on its prostate cancer medicine, delaying the approval of the company's first product. The Food and Drug Administration asked for information supporting the efficacy claim for the experimental medicine. Dendreon said it is seeking clarification on the agency's request.

Date: May 9 2007 9:53:59 Wire: TheFlyontheWall.com (FLY)
Most active equity option families in first 10-minutes of Trading
Most active equity option families in first 10-minutes of Trading: CSCO RIMM AAPL DNDN according to Track Data.

Date: May 9 2007 10:15:02 Wire: BLOOMBERG News (BN) --Kimberly Badessa
Dendreon Cut to `Hold' at Needham & Co.: DNDN US
Princeton, New Jersey, May 9 (Bloomberg Data) -- Dendreon (DNDN US) was downgraded to ``hold'' from ``buy'' by analyst Mark Monane at Needham & Co.

Date: May 9 2007 11:22:02 Wire: BLOOMBERG News (BN)
Reames, Analyst, Says Dendreon Drug Could See Delay Into 2011
May 9 (Bloomberg) -- Aaron Reames, an analyst at A.G. Edwards & Sons, talks with Bloomberg's Ellen Braitman about the Food and Drug Administration's request for more information from Dendreon Corp. before approving the company's only product, the prostate cancer medicine Provenge. Reames has a "hold" rating on Dendreon and a "buy" rating on GTx Inc.

Date: May 9 2007 11:27:48 Wire: BLOOMBERG News (BN) --Natalie Gilbert
Dendreon Cut to `Sell' at Next Generation: DNDN US
Princeton, New Jersey, May 9 (Bloomberg Data) -- Dendreon Corp. (DNDN US) was downgraded to ``sell'' from ``buy'' by analyst Liisa Bayko at Next Generation Equity Research. The price target is $5.00 per share

Date: May 9 2007 16:21:11 Wire: BLOOMBERG News (BN) By Luke Timmerman
Dendreon Shares Plunge After U.S. Delays Cancer Drug (Update10)
May 9 (Bloomberg) -- Dendreon Corp.'s shares plunged 65 percent, wiping out almost $1 billion in market value, after U.S. regulators said more information is needed to approve the company's only product, the prostate cancer medicine Provenge.
The Food and Drug Administration asked for more data supporting Provenge's effectiveness, the Seattle-based company said today in a statement. Dendreon, whose shares had risen as much five-fold since March, said it is seeking clarification.
Provenge would have been the first marketed product for Dendreon since its 1992 founding. The medicine is part of a new family of drugs that trigger the immune system to attack malignant tumors. While Provenge prolonged lives in advanced cases in one study presented to an FDA advisory panel this year, the drug didn't meet the trial's primary goal of slowing the spread of the disease.
``We are disappointed that this decision will cause a delay in the availability of Provenge for patients who suffer from advanced prostate cancer,'' said Mitchell H. Gold, president and chief executive officer of Dendreon. ``We are committed to working closely with the FDA to resolve these questions in a timely and efficient manner.''
Adverse regulatory decisions can devastate small biotech companies betting on approval of a single product. Shares of Genta Inc., based in Berkeley Heights, New Jersey, and Allos Therapeutics Inc., based in Westminster, Colorado, lost 40 percent of their value in

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

May 2004 after U.S. regulators denied approval for their cancer treatments.

Shares Fall

The FDA ruling might delay Provenge's market introduction at least until 2011, said Liisa Bayko, an analyst with Next Generation Equity Research in Chicago, in a note to clients. She downgraded the shares to ``sell,'' and lowered her price target to $5 a share from $25.00

Dendreon shares fell $11.41 to $6.33 at 4 p.m. New York time in Nasdaq Stock Market composite trading, after dropping as low as $6.27. They started the year at $4.17 and climbed as high as $23.58 on April 9, after a committee of U.S. government advisers recommended approval of Provenge.

Shares of Cell Genesys Inc. of South San Francisco, California, dropped 28 cents, or 6.2 percent, to $4.27, and Antigenics Inc. of New York, 34 cents, or 12 percent, to $2.53. The companies are developing similar treatments, sometimes called ``cancer vaccines'' even though they don't prevent people from contracting the disease.

Patient advocates say demand for Provenge is intense. About 50 percent of men with late-stage prostate cancer said they wouldn't consider chemotherapy because of the side effects, according to a survey of 500 patients, caregivers and doctors in 2005 by US Too International, a patient advocacy group.

Patient Advocate

``With chemotherapy, men lose their hair, throw up and die,'' said Jim Kiefert, a 17-year prostate cancer survivor from Olympia, Washington, who is chairman of Us Too, in a telephone interview. ``This means people will die without getting a chance to try this treatment. I'm very disappointed.''

The FDA also asked Dendreon for information on the chemistry and manufacturing of the drug. In a statement, FDA spokeswoman
Karen Riley said some members of the advisory committee ``raised issues about the strength of the data'' supporting the drug's effectiveness.

Analysts estimated that Provenge had U.S. sales potential of about $1 billion a year. Dendreon's only other product in clinical development is an immune-stimulator against breast cancer.

Cash, Job Cuts

Dendreon said it had $106 million in cash and investments at the end of December. That's enough to last the company until it can get an interim look at results from an ongoing survival study in the second half of 2008, said David Miller, president of Biotech Stock Research, an independent equity research firm, in a note to clients today.

The company will probably conserve cash by cutting half of its workforce of 250 employees, Miller said. Katherine Stueland, a spokeswoman for the company, said in a telephone interview that Dendreon hasn't made decisions on job cuts.

Many investors had been betting Dendreon would fail to win approval. About 33.9 million shares were held in a short position in April, more than double the number in January, according to data compiled by Bloomberg. Short-sellers try to profit by borrowing stock, selling it, buying back cheaper shares later and pocketing the difference.

CEO Share Sale

Gold, the Dendreon CEO, sold 202,000 of his shares in the company on April 2, after an FDA advisory panel voted 13-4 in favor of approving Provenge. The shares were sold at about $13.46 a share, according to a filing with the Securities and Exchange Commission. The sale was worth about $2.7 million, at prices more than double from the previous week, before the FDA vote.

The stock sold represented about 20 percent of Gold's holdings in the company, said spokeswoman Monique Greer. It was the first time Gold sold shares in the company, she said in April. The company can now expect shareholder lawsuits over the insider sale, Miller said in his note to clients.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					Provenge extended patients' lives with few side effects in smaller clinical trials, and Dendreon had hoped it could become an immediate new option for the disease, which kills 27,000 men a year in the U.S. In the therapy, blood is drawn from a patient, and some white blood cells vital to the immune system are separated in a lab. The white blood cells are shipped to the company and incubated with a genetically engineered protein found on prostate cancer cells. The white blood cells are supposed to recognize the protein as an invader and attack the cells that contain it. The revved-up white blood cells are then sent back and re-infused into the patient. *Date: May 9 2007 16:44:53 Wire: BLOOMBERG News (BN) By Jeff Kearns* **CDW, Kaman, Somaxon, Toreador: U.S. Equity Movers Final** May 9 (Bloomberg) -- The following is a list of companies whose shares had unusual price changes in U.S. exchanges today. Stock symbols are in parentheses after company names. Share prices are as of 4 p.m. New York time. Dendreon Corp. (DNDN US) plunged $11.41, or 64 percent, to $6.33. The company, whose shares have risen fourfold this year, said in a PRNewswire statement that U.S. regulators want more data on its prostate cancer medicine, delaying the approval of the company's first product. The Food and Drug Administration asked for information supporting the efficacy claim for the experimental medicine. Dendreon said it is seeking clarification on the agency's request. *Date: May 9 2007 21:20:03 Wire: PR Newswire: U.S. (PRN)* **Dendreon to Hold Conference Call on Thursday, May 10, 2007 at 4:30 PM ET** SEATTLE, May 9 /PRNewswire-FirstCall/ -- Dendreon Corporation (Nasdaq: DNDN) today announced the Company will hold a conference call tomorrow Thursday, May 10, 2007 to discuss its first quarter 2007 financial results, as well as the complete response letter it received from the U.S. Food and Drug Administration for Provenge(R) (sipuleucel-T), the Company's investigational active cellular immunotherapy under review for the treatment of asymptomatic, metastatic, androgen-independent (also known as hormone refractory) prostate cancer. Time: 4:30 PM ET /1:30 PM PT Date: May 10, 2007
5/10/2007	69,173,320	$5.54	-12.48%	(3.34)	*Date: May 10 2007 7:53:42 Wire: BLOOMBERG News (BN) By Lynn Thomasson* **Chicago Bridge & Iron, Dendreon, Viacom: U.S. Equity Preview** May 10 (Bloomberg) -- The following is a list of companies whose shares may have unusual price changes in U.S. exchanges today. This preview includes news that broke after exchanges closed yesterday. Stock symbols are in parentheses after company names. Share prices are as of 7:30 a.m. New York time. Dendreon Corp. (DNDN US) fell 53 cents, or 8.4 percent, to $5.80. The maker of the prostate-cancer medicine Provenge was cut to ``sell'' from ``neutral'' by analysts at Banc of America Securities LLC, who said the company will need ``significant'' amounts of money to fund trials required by the U.S. Food and Drug Administration. The analysts also said they ``are not convinced'' about the effectiveness of Provenge. *Date: May 10 2007 9:24:59 Wire: BLOOMBERG News (BN) --Kimberly Badessa* **Dendreon Cut to `Sell' at Banc of America: DNDN US** Princeton, New Jersey, May 10 (Bloomberg Data) -- Dendreon (DNDN US) was downgraded to ``sell'' from ``neutral'' by analyst William Ho at Banc of America. The price target is $4.00 per share.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

Date: May 10 2007 9:37:04 Wire: BLOOMBERG News (BN) By Lynn Thomasson
Dendreon Cut to `Sell' at Banc of America on Provenge Concern
May 10 (Bloomberg) -- Dendreon Corp. was cut to ``sell'' at Banc of America Securities LLC, which said the drugmaker may need a ``significant'' amount of money to fund further clinical trials of the prostate cancer medicine Provenge.
Dendreon will have cash of around $20 million at the end of the year and will require additional capital as early as the fourth quarter to fund the so-called phase III IMPACT trial through completion, analyst William Ho wrote in a note to investors.
The analyst said he was also ``not convinced'' about Provenge's safety and effectiveness. The drug also faces uncertainty in the U.S. Food and Drug Administration approval process, he said.
Dendreon shares plunged 64 percent yesterday after U.S. regulators said more information was needed to approve Provenge, the company's only product.
The analyst, who previously rated Dendreon ``neutral,'' cut his share-price forecast by $16 to $4. Dendreon shares fell 72 cents, or 11 percent, to $5.61 at 9:33 a.m. in Nasdaq Stock Market composite trading. Before today, the shares have risen 61 percent in the past year.

Date: May 10 2007 9:43:10 Wire: TheFlyontheWall.com (FLY)
Most active equity option families in first 10-minutes of Trading
Most active equity option families in first 10-minutes of Trading: DNDN INTC WFMI according to Track Data.

Date: May 10 2007 9:58:32 Wire: BLOOMBERG News (BN) By Jeff Kearns
Bebe Stores, Home Solutions, Rio Tinto: U.S. Equity Movers
May 10 (Bloomberg) -- The following is a list of companies whose shares are having unusual price changes in U.S. exchanges today. Stock symbols are in parentheses after company names. Share prices are as of 9:30 a.m. New York time.
Dendreon Corp. (DNDN US) fell for a second day, dropping 82 cents, or 13 percent, to $5.51 and traded as low as $5.41. The maker of the prostate-cancer medicine Provenge was cut to ``sell'' from ``neutral'' by analysts at Banc of America Securities LLC, who said the company will need ``significant'' amounts of money to fund trials required by the U.S. Food and Drug Administration. The analysts also said they ``are not convinced'' about the effectiveness of Provenge.

Date: May 10 2007 10:37:33 Wire: TheFlyontheWall.com (FLY)
On The Fly: Downgrade Summary for Thursday, May 10th [MORE]
MOST NOTEWORTHY: Dendreon Corp (DNDN), Whole Foods Market, Inc (WFMI), Rio Tinto plc (RTP), El Paso Corp (EP), and Oplink Communications, Inc (OPLK) were today's more notable downgrades: Banc of America downgraded shares of Dendreon to Sell from Neutral following the FDA's request for additional clinical data for Provenge.

Date: May 10 2007 11:02:04 Wire: BLOOMBERG News (BN) By Lynn Thomasson
Dendreon Shares Fall; Banc of America Cuts to `Sell' (Update1)
May 10 (Bloomberg) -- Dendreon Corp. shares fell for a fourth day after Banc of America Securities LLC recommended to investors that they sell the stock.
The drugmaker may need a ``significant'' capital infusion to pay for further clinical trials of the prostate cancer medicine Provenge, analyst William Ho wrote in a note to investors.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

Ho said he was also ``not convinced'' about Provenge's safety and effectiveness. The drug also faces uncertainty in the U.S. Food and Drug Administration approval process, he said.

Dendreon will have cash of around $20 million at the end of the year and will require additional capital as early as the fourth quarter to fund the so-called phase III IMPACT trial through completion, Ho wrote.

Company spokeswoman Monique Greer did not immediately return a voicemail message seeking comment.

Dendreon shares plunged 64 percent yesterday after U.S. regulators said more information was needed to approve Provenge, the company's only product. They have fallen 89 percent this week.

The analyst, who previously rated Dendreon ``neutral,'' also cut his share-price forecast by $16 to $4. Dendreon shares fell $1.02, or 16 percent, to $5.31 at 10:30 a.m. in Nasdaq Stock Market composite trading. Before today, the shares gained 61 percent in the past year.

Date: May 10 2007 12:24:12 Wire: BLOOMBERG News (BN)

Dendreon Shares Fall as Banc of America Cuts to `Sell'

May 10 (Bloomberg) -- Dendreon Corp. shares fell for a fourth day after Banc of America Securities LLC recommended to investors that they sell the stock.

Date: May 10 2007 15:30:07 Wire: PR Newswire: U.S. (PRN)

Dendreon Reports First Quarter 2007 Financial Results - Conference call scheduled for 4:30 PM ET

SEATTLE, May 10 /PRNewswire-FirstCall/ -- Dendreon Corporation (Nasdaq: DNDN) today reported results for the first quarter ended March 31, 2007. Revenue for the first quarter of 2007 was $80,000 compared to $25,000 for the quarter ended March 31, 2006. Revenue in 2007 and 2006 includes recognition of deferred revenue related to two license agreements.

Dendreon's total operating expenses for the three months ended March 31, 2007 were $32.0 million compared to $25.6 million for the same period in 2006.

Operating expenses for the three months ended March 31, 2007 included purchases of commercial scale quantities of the antigen used in connection with Dendreon's lead investigational product, Provenge(R) (sipuleucel-T), of $6.3 million.

The net loss for the quarter ended March 31, 2007 was $30.9 million, or $0.38 per share which, included $0.08 per share associated with the commercial antigen purchases, compared to a net loss of $24.4 million, or $0.34 per share, for the same quarter a year ago.

Cash, cash equivalents, short-term, and long-term investments at March 31, 2007 totaled $88.5 million compared to $121.3 million at December 31, 2006.

Recent Events:

-- The U.S. Food and Drug Administration's (FDA) Cellular, Tissue and GeneTherapies Advisory Committee review of Dendreon's Biologics License Application (BLA) for the use of PROVENGE in the treatment of patients with asymptomatic, metastatic, androgen-independent (also known as hormone refractory) prostate cancer was held on March 29, 2007.

- The Advisory Committee was unanimous (17 yes, 0 no) in its opinion that the submitted data established that PROVENGE is reasonably safe for the intended population and the majority (13 yes, 4 no) believed that the submitted data provided substantial evidence of the efficacy of PROVENGE in the intended population.

-- The Company received a Complete Response Letter, commonly referred to as an "approvable letter," on May 8, 2007 from the FDA regarding its BLA for PROVENGE.

- The FDA has requested additional clinical data in support of the efficacy claim contained in the BLA. The Company is seeking a clarification from the FDA as to the nature of the data that is being requested.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

- The FDA has requested additional information with respect to the chemistry, manufacturing and controls (CMC) section of the BLA, which the Company believes it can supply to the FDA in a timely manner.

-- The Company continues to have strong patient enrollment in its Phase 3IMPACT study, which is on track for completion of enrollment this year.

Conference Call Information
Time: 4:30 pm ET / 3:30 pm CT / 2:30 pm MT / 1:30 pm PT
Date: May 10, 2007

Date: May 10 2007 15:30:55 Wire: Briefing.com Global Menu (BRF)
DNDN: Dendreon, in 10-Q, reports March quarter end EPS of ($0.38) vs. ($0.29) consensus; revs of $0.8 mln vs. $0.14 mln consensus (5.55 -0.78)
[Update]

Date: May 10 2007 16:00:11 Wire: TheFlyontheWall.com (FLY)
Option Update – May 10, 2007 [MORE]
Volatility Index S&P 500 Options-VIX down .94 to 13.84. Option volume leaders today were: DNDN, AAPL, AMGN, WFMI & INTC.

Date: May 10 2007 16:44:44 Wire: BLOOMBERG News (BN) By Alexander Ragir
Force Protection, RadioShack, Versar: U.S. Equity Movers Final
May 10 (Bloomberg) -- The following is a list of companies whose shares had unusual price changes in U.S. exchanges today. Stock symbols are in parentheses after company names. Share prices are as of 4 p.m. New York time.
Dendreon Corp. (DNDN US) fell 79 cents, or 12 percent, to $5.54. The maker of the prostate-cancer medicine Provenge was cut to ``sell'' from ``neutral'' by analysts at Banc of America Securities LLC, who said the company will need ``significant'' amounts o money to fund trials required by the U.S. Food and Drug Administration. The analysts also said they ``are not convinced'' about the effectiveness of Provenge.

Date: May 10 2007 16:47:27 Wire: BLOOMBERG News (BN) By Robert Simison
Dendreon Misses Quarterly Estimates, Discusses Provenge Ruling
May 10 (Bloomberg) -- Dendreon Corp. reported a fiscal first-quarter loss wider than analysts estimated and said it is asking U.S. regulators what information they need to approve the prostate cancer drug Provenge.
Dendreon's loss for the quarter ended March 31 widened to $30.9 million, or 38 cents a share, from $24.4 million, or 34 cents, a year earlier, the company said today in a statement on PR Newswire. The result missed the 29-cent average of seven analysts in a Bloomberg survey.

Date: May 10 2007 17:43:38 Wire: BLOOMBERG News (BN) By Lu Wang
Foot Locker, Nvidia, Syntax-Brillian, THQ: U.S. Equity Preview
May 10 (Bloomberg) -- The following is a list of companies whose shares may have unusual price changes in U.S. exchanges tomorrow. This preview includes news that broke after exchanges closed. Stock symbols are in parentheses after company names.
Dendreon Corp. (DNDN US) slid 42 cents, or 7.6 percent, to $5.12 in trading after the official close of U.S. exchanges. The

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

company reported a fiscal first-quarter loss wider than analysts estimated and said it is asking U.S. regulators what information they need to approve the prostate cancer drug Provenge. Dendreon said it will ``align workforce'' to conserve cash.

Date: May 10 2007 17:48:14 Wire: Bloomberg Transcripts (BT)
Dendreon Earnings Teleconference DNDN US
Event Date: 05/10/2007
Company Name: Dendreon
Event Description:Q1 2007 Earnings
Source: Dendreon
MANAGEMENT DISCUSSION SECTION
Operator
Good afternoon, and welcome everyone to the Dendreon Corporation's First Quarter Financial Results Conference Call. Today's call is being recorded. With us today from the company is the Senior Director of Corporate Communications, Ms. Monique Greer. Please go ahead.
Monique Greer, Senior Director, Corporate Communications
Thank you very much. Good afternoon, everyone. We're pleased you could join us for today's conference call. With me today are Dr. Mitchell Gold, President and Chief Executive Officer; Greg Schiffman, Senior Vice President and Chief Financial Officer; and David Urdal, Senior Vice President and Chief Scientific Officer.
Before we begin, I would like to remind you that during this call we will be making forward-looking statements that are subject to risks and uncertainties and may cause actual results to differ from the results discussed in the forward-looking statements. Reference to these risks and uncertainties is made in today's press release, and they are disclosed in detail in our most recent 10-K and other public disclosure filings with the US Securities and Exchange Commission. I will now turn the call over to Dr. Gold.
Mitchell H. Gold, M.D., President and Chief Executive Officer
Thank you, Monique. Hello everyone and thank you for joining us for this conference call. I would like to start out by thanking all the patients and clinical investigators who have participated in our clinical trials over the past decade. In addition, I would like to thank our investors, who believe in our vision and mission to transform the way that cancer is being treated. Prostate cancer is the second leading cause of cancer death in American men. It remains a serious unmet medical need with few effective treatment options, particularly when it comes to prolonging survival, which is what matters most to cancer patients and their families.
As you know, we received a Complete Response Letter, or approvable letter, from the FDA regarding our biologic license application for Provenge(r). This decision is very disappointing I know for all of us, and it comes as quite a surprise, particularly given the positive advisory committee meeting that we had at the end of March, as well as a long history of collaborative discussions with the FDA. While we are disappointed with this decision, we are resolute in our commitment to bring Provenge(r) to prostate cancer patients and their families who could potentially benefit from this novel life-saving treatment.
As stated in yesterday's announcement, the FDA has requested additional CMC information which we believe can be resolved in a timely manner and is not rate limiting to our approval process. In addition, the FDA has requested additional clinical data to support the efficacy claim contained in the BLA. They have not specified exactly what form of additional data we might provide and this is why we are seeking clarification from the FDA. Let me remind you that the ongoing impact study is a double blind, randomized, placebo controlled, Phase III clinical trial being conducted under a special protocol assessment or SPA, measuring overall survival in men with metastatic hormone refractory prostate cancer. For those of you who may not be familiar with an SPA, it is a binding written agreement that provides responses to receive official FDA evaluation and pivotal trials that will form the basis for final approval.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

Our SPA specifically recognizes that the impact study will serve as a registration study based on positive results from either an interim or final analysis. We anticipate completing an interim analysis next year, with the final analysis available in 2010. So while this decision is a disappointment, we believe that we are well positioned for an impact study to provide the FDA with the additional data necessary to complete the approval process. Our commitment to securing full approval for Provenge(r) is unwaivering. After hearing the stories at the advisory committee meeting, our dedication to prostate cancer patients is stronger than ever. As we continue to navigate through the regulatory process with the FDA, we intend to keep you informed of any major developments. I will now turn the call over to Greg Schiffman, who will review the financials for the quarter.

Gregory T. Schiffman, Senior Vice President, Chief Financial Officer

Thanks, Mitch. This morning we reported our financial results for the first quarter of 2007. Revenue for the first quarter of 2007 was $80,000, compared to $25,000 for the quarter ended March 31st, 2006. Revenue in 2007 and 2006 includes recognition of deferred revenue related to two license agreements.

Operating expenses for the 3 months ended March 31st, 2007 were $32 million compared to 25.6 million for the same period in 2006. This increase is primarily driven by a $6.3 million payment for purchases of commercial-scale quantities of antigen, one of the critical raw materials used in the manufacture of Provenge. This purchase will be available to support potential future commercial production. At the end of the first quarter, Dendreon had approximately $88.5 million in cash, cash equivalents and short and long-term investments compared to $121.3 million at December 31, 2006. The net cash used in operating activities for the first quarter was $30.3 million which included the $6.3 million antigen purchase. We believe the current cash balance is adequate to take us through the interim analysis anticipated in 2008. Net loss for the quarter ended March 31st was 30.9 million or 38 cents per share, which included 8 cents per share associated with the commercial antigen purchases, compared to a net loss of 24.4 million or 34 cents per share for the same quarter a year ago.

We plan on sharing our operational plans at an upcoming conference call in the near future. At this time, I'll turn the call back over to the operator, and we'll open the phones for a few questions.

Q&A

Operator

[Operator Instructions]. And we'll go first to Charles Duncan, JMP Securities.

< Q - Charles Duncan>: Hi, guys. I wanted to ask you, Mitch, about the history of collaborative discussions you've had with the FDA. How did that kind of change in the few weeks since the panel meeting?

< A - Mitchell Gold>: I think what was most surprising to us after the panel meeting; I wouldn't say that our collaborative discussions with the FDA had changed. I think what was surprising to us after the panel meeting was the very limited amount if any discussions that we had with the FDA. There was very little interaction between the company and the agency between the panel meeting and when we received a complete response letter.

< Q - Charles Duncan>: And then moving on to some of the efficacy data, have you had any conversations with them? Or what do you anticipate having to be able to provide them? Is it survival data? Or do you think the interim would be sufficient?

< A - Mitchell Gold>: We have had some preliminary discussions with the FDA since the complete response letter has come out. And let me just reiterate that we know that the current ongoing study, the impact study, is a binding written agreement looking at survival and that there's an interim analysis there and a final analysis as I've said. I think based on some preliminary discussions that we've had with the FDA, there may be some alternative pathways for outside of the [ph]99F -IIb impact study special protocol assessment agreement, and those are things that we're going to discuss with the FDA. But what we know is that we do have an STA for [ph]99F-IIb looking at survival both on an interim basis and a final basis. And we'll get the interim survival data next year.

< Q>: Keeping with the [ph]99 or IIb, at the interim what is the statistical hurdles that you kind of need to clear to be able to show

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meaningful result?

< A - Mitchell Gold>: What we've said publicly, Charles, is on the final analysis which is planned at 360 [ph]depezen, ramped up to 500 page enrollment study. This study is more than 90% powered. The interim analysis that is planned is up and very well powered, but we're not going to get into any specifics on the interim.

< Q - Charles Duncan>: And then you mentioned that impact could be on registration trial, or could it be the registration trial? Is that dependent on the magnitude of the impact?

< A - Mitchell Gold>: No, impact was designed with the data from 9901 in hand and discussed with the FDA. In fact, with design, under STA and discussion with the FDA, that positive data from that study in terms of either an interim analysis or final analysis, with survival as a primary end point, would be sufficient.

< Q - Charles Duncan>: And then with regards to a potential couples, potential compounding variables or things that people have been concerned about with some the previous work, Gleeson score and location of boning mass versus soft mass, can you help us understand how you're managing that with D9902B?

< A - Mitchell Gold>: There's two ways that you can in any study stratify it for prognostic factors. One is at the time of randomization and the other is through statistical analyses. There's a couple of things that we do in terms of randomization that we do stratify patients based on Gleeson score and in terms of which arm they go and make sure there are balances on whether your Gleeson 4 plus 3 or 3 plus 4, we deal with that stratification at the time of randomization. The other way that we deal with it is through the cosmos regression analysis that we use as an analytical tool on the 992B clinical study.

< Q - Charles Duncan>: And that's been agreed to by the FDA or fully [ph]datad by them?

< A - Mitchell Gold>: Correct. That's part of the [ph]plot.

< Q - Charles Duncan>: And then a quick question for Greg, the kind of burn rate analysis, are you assuming any head count reductions or you think you're going to current burn at the current levels?

< A - Gregory Schiffman>: At this point in time, we're certainly taking appropriate short term actions to preserve cash and th specific in terms of the burn, we would expect to see our burn decrease over time. We believe we have adequate cash to get us through the interim, but we're not sharing specifics because we believe that it is very important that we have a chance to formulate the final plan, talk to the employees, before we get information out to the investment community, but we'll certainly be sharing that in the near future.

< Q - Charles Duncan>: And you're very, very likely not honing on any corporate partnering inclose?

< A - Gregory Schiffman>: No, we don't comment on corporate partnering trials other than any discussions we've had ongoing, I think those discussions are continuing to be ongoing, but we're not going to comment beyond that.

< Q - Charles Duncan>: Thanks. I'll jump back in the queue.

< A - Gregory Schiffman>: Take care.

Operator

We'll go next to Mark Monane, Needham.

< Q - Mark Monane>: Thank you very much. Mitch,,could you go over the time line for the next set of, next set of meetings for the FDA? Is there a 45, do you make a request in 45 days, or is there a more formal process?

< A - Mitchell Gold>: There is a route for the formal process, but what I can say Mark is so far we've had a couple preliminary discussions with the FDA since we received the letter, and I think the FDA wants to work closely with the company to try to bring the program forward as rapidly as possible. Beyond that, I can't really give you any sense of timing of those meetings. It's going to be a high priority, formal meeting with the agency.

< Q - Mark Monane>: Do you have, does the company have the option to appeal an approvable letter at this point and how would

one go about doing that?

< A - Mitchell Gold>: I believe that company has that option; it's not a pathway that we're currently considering going down right now.

< Q - Mark Monane>: Can you talk about -- maybe Greg can talk about the impact trial. When you look at the costs for the trial, there certainly is that patients only get that three infusions, zero times, two weeks later then four weeks later yet there's costs accrued. Is there any way to minimize these costs or how do you characterize these costs along the clinical trial? There's no more drugs being given but the patients are obviously being followed and I guess there is new drug for people who progress. Are they still going to be given the option to get Provenge?

< A>: There is the option in the crossover. When you look at the clinical trials, certainly the enrollment one month after you've completed enrollment an awful lot of the expense do decrease substantially and that is the fact that you have given this re-infusions to all of the patients. You have the crossover potential if everybody participated in that sort of a third of the patients because you're aware at this point we've had a little over 420 patients enrolled in the study and so we've incurred an awful lot of the charges. There are ongoing costs, though. We certainly still have all the costs with amending the DOA, the statistical following of the patients and so forth and so that is part of the ongoing cost burn. We will get a lot better information and details of sort of how we see those costs proceeding over time in a conference call in the near future.

< Q - Mark Monane>: I know you recently joined the firm so you have your own CFO philosophy that may or may not be independent of Mitch's but the bottom line is how much money do you like to have in the bank in terms of time so you can sleep well at night?

< A>: I think that as we have always said not yet I'm not sure a specific answer to it but maybe get to the point. We believe we have cash that can get through the interim results of the trial. It would drive our cash balances down to essentially a very low level and not a place you'd look to take the company and I think as we've discussed very publicly since I've joined, we do see that should this occur, we would have an additional financing before we'd probably be able to resubmit to the FDA.

< Q - Mark Monane>: That's very helpful. Thanks for the added information.

Operator

We'll go next to William Ho, Banc of America.

< Q - William Ho>: Hey guys, sorry about the outcome. I guess a few questions. First on the purchase of the antigen. How long will that antigen last? Will it last through the interim analysis or further?

< A>: The antigen does indeed have a shelf life but it's a shelf life that's measured in years and we're confident that it will be an inventory that will last us through the launch of the product.

< Q - William Ho>: Then I guess what can you do to reduce the burn? I guess that's the biggest concern right now that I have

< A>: Well obviously we're going to be looking at aligning the work force well with the operational plans going forward and that's something that as Greg mentioned that we're looking at right now. The costs are going to go down obviously because we're not gearing up for commercialization as we were for 2006 and up until this point in 2007. So and as Greg said we're going to give an update to the investors mainly on what the burn looks like going forward but just based on our current assessment now we have enough cash to get us through the interim analysis.

< A>: I think as Mitch has indicated, we had an awful lot of activities geared towards ramping up of commercialization, a lot of that involving third parties outside of the company and at this point in time we have more time to be able to get that commercial infrastructure in place. We'll be able to bring it in house, you can immediately reduce a lot of the expenses, which cash is leaving the company and those are things that are taking place right now.

< Q - William Ho>: Okay. Thank you.

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Operator
We'll go next to Joel Sendek, Lazard Capital Markets.
< Q - Joel Sendek>: Hi. A couple questions on the impact study. I know you can't give us much more detail than you already have but as far as the difference that you're looking for. Is it fair to think that the delta might be in line with what type of tier showed about a 15% increase in survival?
< A>: Whether you power these studies, Joel is actually not off a median number but more off of what you see as an overall treatment effect or hazard ratio. And the way that they remain our powering assumptions for the ongoing impact study was to look at the integrated analysis, which was presented in the advisory committee meeting so you can pull it right from there. When we looked at the interim now, as I say we used the lower end of the conference intervals to power the study.
< Q - Joel Sendek>: Okay and then when you look at the interim, I mean one of the key things about Provenge is the late effect, which also is potentially the explanation for why you saw the survival benefit. Doesn't that also argue that the likelihood of success on the interim is inchingly small?
< A>: No, au contraire. Actually if you remember this is a study that started in 2003. The median -- it's a death event rate so it's not like progression where the drug may not be active as the progression is entered concurrently. These are men that enrolled in the study in 2003. We know that the drug pretty much takes effect between 8 and 13 weeks, and then we're able to follow them out.
< Q - Joel Sendek>: Okay so if that's the case then you have a good shot. And then is there any alpha spend on the interim?
< A>: Yes there will be an alpha spend on the interim, obviously and we're not going to disclose what that is. But this interim then we think is a meaningful interim. It's well powered and it's something that we think is important to the organization.
< Q - Joel Sendek>: Okay and then my final is if these patients tend to -- based on the Taxotere data and your own data tend to live about two years and you started the trial in 2003, and you almost have 400 patients now why won't the final data be available by 2010? It seems to me just kind of doing the math that...
< A>: Again, I think there's a little bit of a gap in your understanding, Joel. These patients are -- they began enrolling in 2003 and they continue to enroll now. So as Greg said we have just over 420 patients enrolled. And as each patient enrolls the median survival historically is about 18 to 20 months, right? In the patient population.
< Q - Joel Sendek>: Right.
< A>: From the time they enroll on average it's about 18 to 20 months that they reach a death event. So the patients that enrolled in 2003 -- and we know that from the 9/9/01 survival data that at three years you had about 30 of your patients on drugs that were still alive. At three years.
< Q - Joel Sendek>: And you need all the patients? It's not like you can reach a median at some point?
< A>: Correct, right. It's an event-driven analysis.
< Q - Joel Sendek>: And my final question is with regard to the SPA on the impact study does that preclude the potential for the FDA to require a second study to support a registration?
< A>: No, based on the discussion and the way the SPA is written is that study was written in light of when we had -already had the 9/9/01 survival data. So that study was designed and the SPA was agreed to that, that study by itself was a success on either the interim or the final analysis would be sufficient for a registration pathway.
< Q - Joel Sendek>: Okay, all right. Thanks a lot.
< A>: Sure.
Operator
And we'll go next to [ph]Greg Savanaveeg with UBS.
< Q>: Hey guys, how are you today?

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< A>: We're well, Greg.

< Q>: Thanks for taking my question. I actually have a question with regard to the manufacturing. I know you said you'd be able to get a response back to the FDA relatively quickly and I was wondering if you had granularity on whether it's more about a concern on the potency assay or is it more about controlling or maintaining sample consistency, since it is an [ph]otologist therapy.

< A>: Well actually it was none of those that you mentioned, but if you look at the, just a reminder perhaps as you go through license application review, there's a part of the review which involves the chemistry manufacturing control part division of the FDA inspecting your manufacturing facility and we hosted a facility inspection by the FDA on the week of February 12 and out of that inspection got several observations that were made that we've already been addressing quite effectively we think. So one of the items mentioned in the letter, for example, was just a reminder that we needed to complete our response to all 43 items that came in that inspection and so they're all observations that were made that we think we have well in hand that none of the issues are ones that will delay the approval process from a manufacturing point of view. So the and we believe that to is to be true from discussions that we've had with the agency that they don't see the manufacturing issues as being any issues that will hold up approval with the clinical data...

< Q>: Can you give us a sense of the number of observations or what kinds of observations have been noted?

< A>: Those are proprietary to the company. I think, as David said, they are things and the FDA has agreed with this and firmly called it since we received a letter that these are things that we can easily address. These aren't big issues but we wanted the investment community to know that they were included in the letter.

< Q>: A follow-up question if I could. It actually has to relate to the safety signal that has been noted at the advisor panel meeting and I was wondering if there's any kind of discussion that the safety is something that is of a concern or is it really all about providing efficacy data?

< A>: It's really all about providing additional efficacy data.

< Q>: Okay. Thanks very much.

Operator

We'll go next to Liisa Bayko, Next Generation Equity Research.

< Q - Liisa Bayko>: Hi, guys. Just a couple of follow-up questions. First of all, can you remind us what triggers the analysis of the impact study?

< A>: Sure, it's an advanced [ph]dacorate, Lisa, so it's based on a certain number of [ph]decivens and I don't know if you were on the call earlier, I know a lot of people just given the call volume had trouble getting out of the call. The final analysis for the impact study is 360 decivens [ph] and it's powered it over 90% EBITDA from there. The interim analysis is based on a certain number of decivens [ph] less than that but it's also very well powered.

< Q - Liisa Bayko>: Okay so you're not going to disclose the actual number?

< A>: Correct or the outward spend there.

< Q - Liisa Bayko>: Okay and then can you just expand a little more on the crossover design. When can patients cross over and how might that confound the results?

< A>: It's identical in its design to both the 9901 and 9902H [ph] studies that were part of our application to the FDA meaning that once patient's progress, they can cross over and receive a salvage version of the product. We know that the salvage version of the product isn't as potent as the primary version of Provenge and we're able to basically model out the effect of salvage NOR sample size estimates. So one of the things that we did when we designed impact was to take into account the effect of crossover and salvage and power the study up to deal with that. Salvage is not fresh Provenge, it's a frozen version of the product and it's slightly less potent than the primary fresh version.

< Q - Liisa Bayko>: Okay, fair enough and then one final question is can you just remind us of your commitment to [ph]Diosyms

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for the remainder of 2007?

< A>: We had a commitment to [ph]Diosyms and the remainder of the year is another $12.5 million.

< Q - Liisa Bayko>: Thank you.

Operator

We'll go next to [ph]David Miller, BioTech Stock Research.

< Q>: Great and good afternoon and thanks for taking my questions. Correct me, I'm trying to figure the ramp of enrollment for the trial because as most trials these days are back loaded. And if I remember the conversations correctly there was about somewhere between about 150 and 200 patients in January of '06 and then according to the briefing documents there was about 300 in November of '06 and now we have 420 today. Am I about right on those numbers?

< A>: I don't have those numbers in front of me, where are you getting this from David?

< Q>: Conversations from conference calls and presentations that the company has made at various investor events.

< A>: Yes, I can't confirm those since I don't have the numbers in front of me. But what I can't say and we say before is enrollment initially in the study was slower and then over the last particular 2 years its ramped up pretty substantially.

< Q>: Right, when you amended the trial back in, to expand it to add more patients and the more patient population did you account for a potential differential expected survival between the symptomatic and the symptomatic patients in terms of your statistical assumptions.

< A>: What we've got and we've looked at the impact study on a blinded basis and compared the predicted survival and on the impact study to what we've seen in 9901 and 992A and the demographics of the patient populations are very, very similar. So in other words what we're seeing from a demographic perspective and a predicted survival perspective is very much in line with the impact study with what we saw in the first two Phase III studies which is very reassuring.

< Q>: When did you take that look?

< A>: It is a blinded look that you saw in demographic basis and then you plug it in and as you know, how the analysis.

< Q>: When did you do that though?

< A>: I don't have the exact date, recently.

< Q>: Much recently though?

< A>: Yes.

< Q>: Do you have activities planned or presentations planned at AUA or ASCO?

< A>: I don't know if that's publicly available, but yes we do have presentations planned of both those meetings, AUA and ASCO.

< Q>: Okay, when you're going through this process with the FDA about figuring out what exactly they mean by efficacy data. Perhaps there's something outside interim survival might satisfy that. How are you going to go about letting us know about that?

< A>: In the form of either a press release or a conference call.

< Q>: Okay, and I just want to confirm and I think David was pretty clear about this but I just want to make really sure about this. There was nothing in CMC issues about characterization of potency or anything, so it's really more just kind of a technical, you know here grab this manual and this procedure and get this paperwork straight kind of stuff?

< A>: Yes.

< Q>: Okay, good.

< A>: All that we believe that we can readily address and are addressing.

< Q>: Okay in the complete response letter is there any reference to needing more data on mechanism of action or any sorts o things other than just added efficacy?

< A>: No, its really all focused on additional clinical efficacy.

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< Q>: Is there any thought amongst you about wanting to amend the trial to allocate a little bit more alpha to the interim analysis?
< A>: Yes, we can't really talk about that we have a planned interim analysis David that built into the special protocol assessment.
< Q>: Right, I was just talking about I understand that, I was just talking about whether there any discussions or plans that you were thinking of to try to allocate more data to that so its less likely that it could fail?
< A>: Yes, I think we believe that the interim is a meaningful and important analysis for the company to the FDA and the patients and we certainly want to make sure that the offer that we apportioned to it is appropriate to that sense.
< Q>: Right, but do you plan on making any changes to what's already in the SPA [ph]?
< A>: I can't comment on that.
< Q>: Okay, great. Thanks for answering my questions. I appreciate it.
< A>: Sure.
Operator
We'll go next to Paul Latta with McAdams Wright.
< Q - Paul Latta>: Good afternoon, thanks for taking my questions. Maybe we could go just a little bit more detail on the death event in urban analysis. Is your sort of re-look at the 9901 study and sort of apply the same death event protocol with 9901 have passed that an equivalent interim?
< A>: What I can about this is the number of death events that we'll see on the interim analysis is more than the number of death events that we saw in both 9901 and 9902A combined.
< Q - Paul Latta>: You would expect a curve separation time to exist I would assume using the death event protocol?
< A>: Right.
< Q - Paul Latta>: In other words, it would still take months for the curves to separate?
< A>: Our death event progression, Paul, as survival occurs on the order a median of 18 to 20 months and so we've taken that all into consideration.
< Q - Paul Latta>: Okay, great thanks. Also, I know you touched on this but maybe I could just get you to reiterate. Does the FDA decision change your thoughts at all on partnering in terms of ex-US versus US and whatnot?
< A>: Yes, I think obviously we're very committed to the Provenge(r) development program. We believe that we certainly have the capabilities of doing it here in the US ourselves. That being said, I think we're open to discussions but we're mostly interested in seeking an ex-US partnership and if there was something that was very appealing to us in the US, we'd consider it.
< Q - Paul Latta>: Okay, great. Thanks for taking the questions.
< A>: Sure.
Operator
We'll go to Charles Duncan, JMP Securities.
< Q - Charles Duncan>: Hi guys. Thanks for taking my follow-up question. Maybe you kind of touched on this in your answer to David Miller's glance question but I'm having trouble understanding how you would characterize the interim analysis as being well powered. So can you just help walk me through that?
< A>: Sure. I think the best way to walk you through that, Charles, is to take you back to the data that you already have in hand, okay. The data you have in hand is you've seen an integrated analysis for 9901 and 9902A and in that analysis if I'm correct, it is about 160 death events for those two studies combined. And we powered interim analysis and the final analysis off of those two studies combined so we got a very good sense of what the overall treatment effect is. The interim analysis for 9902B or actually of a similar or more number of death events than the two studies combined.
< Q - Charles Duncan>: That's helpful Mitch. And then, I understand you don't want to give people a [ph]p-value to kind of debate

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but it would seem that it would be helpful if we understood kind of roughly what you're targeting. I'm sure the FDA hasn't agreed to this but typically interim analysis are powered or p-values for [indiscernible] are very small; it's P001, 005, that kind of level which makes them improbable but are you targeting something much greater than that kind of what range are you thinking?

< A>: Sure. Actually the FDA has agreed to the interim analysis because it's in our special protocol assessment with the FDA so we've already agreed on what that would be but we're not getting into specifics. But I can tell you it's bigger than the tested numbers that you're describing. It's a meaningful interim analysis..

< Q - Charles Duncan>: Okay. Good. That is helpful. Thanks.

Operator

And we will go to [ph]Greg Savanbeech with UBS.

< Q>: Okay. Thanks for taking my follow-up. I actually have a question on the financing I just want to know if shelf registration was affected and when you might expect to go ahead and take advantage of that?

< A - Gregory Schiffman>: Sure so the shelf registration is effective in terms of the timing of raising cash I think as we have indicated we do, the cash balance doesn't burned itself, we feel comfortable we can get through the interim. I think in terms of the timing of when we are going to raise cash, we don't have any specific plans right now and I think it would be probably inappropriate to try to speculate on that but we will certainly be accessing the market at some point before that interim is submitted.

< Q>: Okay and Greg I know you had mentioned that you have enough cash on hand and obviously to get the interim analysis but your weak and kind of low so do you anticipate that this would be an '07 event or probably more an '08 event?

< A - Gregory Schiffman>: You know on that side again I don't think we want to speculate on when we may go out to raise cash there is also a lot of other opportunities or means of potentially bringing cash into the company and I think we are sorting all of that out and based upon it, we will have a strategy or plan and the market will become aware I guess at the appropriate time.

< Q>: Just one last follow-up just on what you just said so when you said other potential opportunities, could you just expand on what those might be?

< A - Gregory Schiffman>: I don't think we can go into specifics but the reality is that I think there are various forms or means for us to be able to bring cash for the company. One is the capital market and I think there are other options that are available and we are going to explore all of them to see what makes the most sense.

< Q>: Great. Thanks for taking my follow-ups.

Operator

We'll go next to William Ho, Banc of America.

< Q - William Ho>: Thanks for taking my follow-up questions. Just to clarify, Mitch did you say that the drug has a late survival effect and that you would expect to get benefit later in therapy?

< A - Mitchell Gold>: I did not.

< Q - William Ho>: Okay. Thanks.

Operator

Okay and we will go next to [ph]David Miller with [ph]BioTech Stock Research.

< Q>: Two follow-up questions. The first one is do you expect to restart any pipeline activity between now and the interim?

< A>: I think David what we are doing now is looking at our operating plan going forward and making sure it lines up with balance sheet so we can operate most efficiently going forward and I think as Greg said, we will have a conference call in the future to describe what that is.

< Q>: Okay. I will re-ask the question then and the second one that, this is probably for Dr. Urdal is, is there an established survival difference between asymptomatic and mildly symptomatic patients as they are being enrolled in the 02B study?

< A - David Urdal>: No.
< Q>: There is not?
< A - David Urdal>: No cal [ph].
< Q>: Because I know Mitch you mentioned the whole [ph]obynomigram that they have matched out but pain is not one of the criteria on whole [ph]obynomigram so I just wanted to follow-up and try to understand whether perhaps sicker patients enrolled later in the study could be affecting the curve somewhat.
< A - Mitchell Gold>: No I think what we were very pleased to see is that the demographics of the patients are very similar to what we saw in 9901 and they are predicted to rival, that is reassuring us.
< Q>: Great. Thanks again.
< A - Mitchell Gold>: Sure.
Operator
This will conclude our question and answer session. I would like to turn the conference over to Dr. Gold for any additional or closing comments.
Mitchell H. Gold, M.D., President and Chief Executive Officer
Thank you. Before we conclude this call, I want to express our gratitude to our employees, shareholders, physician's and patients for your continued support, dedication and passion about Dendreon's mission and for sharing in our belief that Provenge(r) has the potential to fundamentally change the way that advanced prostrate cancer is being treated. Thank you.
Operator
This does conclude today's conference. Thank you for your participation, you may now disconnect.

Date: May 10 2007 20:00:24 Wire: BLOOMBERG News (BN) By Rob Waters
Dendreon Misses Estimates, Plans to Adjust Workforce (Update3)
May 10 (Bloomberg) -- Dendreon Corp. reported a fiscal first-quarter loss wider than analysts estimated and said it will adjust staffing after U.S. regulators said they need more information to approve the prostate cancer drug Provenge.
Dendreon's loss for the quarter ended March 31 widened to $30.9 million, or 38 cents a share, from $24.4 million, or 34 cents, a year earlier, the company said today in a statement on PR Newswire. The result missed the 29-cent average of seven analysts in a Bloomberg survey.
Shares of the company, based in Seattle, fell for a fourth day after Banc of America Securities LLC downgraded the stock to ``sell.'' The Food and Drug Administration yesterday declined to approve Provenge, Dendreon's only product, without more data supporting the drug's effectiveness. To conduct further trials, the company will need a ``significant'' capital infusion, Banc of America analyst William Ho wrote in a note today.
``We'll be looking at aligning the workforce'' with the company's financial situation, said Mitchell Gold, Dendreon's chief executive officer, on a conference call with analysts. He didn't say how much the staff may be cut. The company reported employing 232 people in January.
Dendreon shares fell 39 cents, or 7 percent, to $5.15 at 5:20 p.m. New York time, after the close of the Nasdaq Stock Market. The stock lost 12 percent in regular trading today after plunging 64 percent and wiping out almost $1 billion in market value yesterday on the FDA ruling.
Effectiveness Data
The FDA is seeking additional data on the effectiveness of Provenge, not its safety, Gold said.
The agency asked for additional information on the chemistry and manufacturing of Provenge, ``which the company believes it can

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					supply to the FDA in a timely manner," Dendreon said in its statement. The company is readying responses to the agency's questions about manufacturing, and those issues will not delay FDA action on the drug, Gold said. Revenue in the first quarter rose to $80,000 from $25,000, including the recognition of deferred income from two license agreements, Dendreon said. Operating costs climbed because of the purchase of materials used in connection with a trial of Provenge, the company said. Cash, cash equivalents and short- and long-term investments totaled $88.5 million at the end of the quarter, down from $121.3 million Dec. 31. Dendreon has enough money to complete an interim analyst due next year of an ongoing clinical trial of Provenge, said Gregory Schiffman, the company's chief financial officer. Analyst Ho projected cash at year end would dwindle to $20 million, suggesting the company will need additional capital as early as the fourth quarter to complete an ongoing clinical trial.
5/11/2007	72,872,898	$6.11	10.29%	3.72	*Date: May 11 2007 0:15:38 Wire: BLOOMBERG News (BN) By Adam Satariano* **Net 1 UEPS, Signature Bank, Nvidia, THQ: U.S. Equity Preview** May 11 (Bloomberg) -- The following is a list of companies whose shares may have unusual price changes in U.S. exchanges today. This preview includes news that broke after exchanges closed yesterday. Stock symbols are in parentheses after company names. Dendreon Corp. (DNDN US) slid 56 cents, or 10 percent, to $4.98 in trading yesterday after the official close of U.S. exchanges. The company reported a fiscal first-quarter loss wider than analysts estimated and said it is asking U.S. regulators what information they need to approve the prostate cancer drug Provenge. Dendreon said it will ``align workforce" to conserve cash. *Date: May 11 2007 4:07:31 Wire: Company Filings (CFL)* **ARD:Dendreon Corp:DNDN US:Finl P 05/10/2007** *Date: May 11 2007 10:05:11 Wire: Briefing.com Global Menu (BRF)* **Briefing.com: Live Upgrades/Downgrades** COVERAGE REIT/PRICE TGT CHANGED* Company Brokerage Firm Ratings Change Target Dendreon (DNDN) JMP Securities Mkt Outperform $26 >> $13 *Date: May 11 2007 10:27:10 Wire: BLOOMBERG News (BN) By Jeff Kearns* **Chicago Mercantile, Mamma.com: U.S. Equity Movers (Correct)** May 11 (Bloomberg) -- The following is a list of companies whose shares are having unusual price changes in U.S. exchanges today. Stock symbols are in parentheses after company names. Share prices are as of 9:30 a.m. New York time. Dendreon Corp. (DNDN US) slid 27 cents, or 4.9 percent, to $5.27 and traded as low as $4.95. The company reported a fiscal first-quarter loss wider than analysts estimated and said it is asking U.S. regulators what information they need to approve the prostate cancer drug Provenge. Dendreon said it will ``align workforce" to conserve cash.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

May 11, 2007 Brean Murray, Carret & Co. - Jonathan Aschoff, Ph.D.

Dendreon Corp. (DNDN/NASDAQ) - Reports 1Q07

Investment Summary

* Financial results. Dendreon reported 1Q07 EPS of ($0.38), compared to the consensus estimate of ($0.29). The company finished the quarter with approximately $88.5 million in cash, enough to fund operations through 2007, by our calculations, and therefore we believe that the company must raise additional cash this year.

* Complete Response Letter details discussed on call. The FDA asked Dendreon for additional clinical data, which, as we first believed, includes more than just the ongoing IMPACT trial. A second confirmatory Phase 3 trial is standard practice for most approval applications.

* Projected stock volatility and solvency. We view $3 - $4 as a reasonable price for DNDN shares over the next several months. Ultimately cash value is most appropriate, currently about $88.5M, or about $1.08 per share. We expect current cash to be able to fund operations through 2007 and therefore expect Dendreon to require a considerable amount of capital in order to remain solvent through the 2010 final analysis of the IMPACT trial, given our projected Dendreon cash burn rate of about $100 million per year. We expect the IMPACT trial to go to its final analysis in 2010, and fail, because the interim analysis in 2008 will be too soon to see any survival benefit, in our view. We are puzzled as to why Dendreon has chosen to keep secret its interim analysis requirements for both p-value and event number. Given that a capital raise is required this year, by our calculations, we conclude that these secret trial parameters are not encouraging, because sharing encouraging parameters would help Dendreon raise cash at a better valuation.

Discussion

* Expecting IMPACT trial to fail. We believe that the IMPACT trial will fail because it will be properly randomized and therefore will not be as imbalanced in its patient randomization as the original D9901 trial was. Itis always easier to properly randomize larger trials than smaller trials, and IMPACT enrolled 500 patients, whereas D9901 enrolled 127 patients and D9902A enrolled 98 patients. 500 patients is also a more robust trial given its size – a higher bar to hurdle. Earlier this week, FDA Advisory Panels and briefing documents for orBec and mifamurtide make it clear to us that only one prospectively defined Phase 3 trial is required if positive results from one large, prospectively defined Phase 3 trial are crystal clear, therebyrendering another trial unethical; we do not expect IMPACT to deliver positive survival results and therefore we expect additional trials to be required. In our view, a negative IMPACT trial would be terminal for PROVENGE and there would be no further clinical development. The FDA also wants to see more data on PROVENGE manufacturing, but this data can likely be provided near-term.

Valuation. We reiterate our Sell rating and are lowering our target price to $1 from $1.50, which is based on PROVENGE's recent failure to achieve FDA approval, belief PROVENGE will fail to improve survival in its current Phase 3 trial (IMPACT) and our calculated cash per-share estimate at the interim analysis in mid-2008, which assumes a capital raise prior to the interim analysi

* Risks. Risks applicable to DNDN not achieving our $1 target price include: (1) successful product development, (2) successful business development, (3) successfully competing, and (4) market risk involving positive share-price trends in the biotech sector in general.

5.11.2007 McAdams Wright Ragen - Paul C. Latta, CFA

Dendreon Corporation (DNDN) Targeting BLA Resubmission in 2008 $5.54 | HOLD

* Dendreon held a conference call to discuss Wednesday's Provenge "approvable" letter from the FDA as well as the Q1 earnings figures. While there remains uncertainty about the FDA requests, DNDN is moving forward on the IMPACT study. Interim results are due in 2008 and, if successful, are qualified to be used on a resubmission of the BLA for approval.

* First quarter results were inline with expectations excluding charges, but management deferred providing quantitative guidance for

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2007 until FDA provides more clarity. Cash of $88.5 million ($1.09/sh) should be just adequate to complete the IMPACT interim analysis with little to spare.

* We continue to rate the stock Hold for investors with a one to two year time frame, but expect the shares to remain volatile in the near term with a bias to the downside.

Dendreon held a conference call yesterday to discuss Wednesday's FDA "approvable" letter for Provenge as well as the first quarter earnings figures. We were pleased to hear the company provide more detail about the IMPACT study and the prospects for more clinical data in a timely fashion (i.e. 2008), in light of the FDA's request for additional Provenge efficacy information.

Management is still seeking clarification as to the exact nature of the data that is being requested by the FDA. We would expect some formal, albeit private, communication from the FDA in a relatively short time period, likely within the current quarter. The company acknowledged that there may be numerous alternative pathways to approval (as outlined in our previous note), but what is known for certain at this time is that there is Special Protocol Assessment (SPA) from the FDA on the IMPACT study, and so the company will move forward with IMPACT unless guided otherwise. If a change occurs, it is likely in the near term (i.e. in the current quarter) Importantly, the SPA recognizes both the interim and final results from the IMPACT study as adequate for a resubmission. This is a positive for Dendreon given that interim results are expected in 2008, whereas final results are not due until 2010.

Some investors have inquired about the wisdom of unblinding and releasing the interim data. After all, in earlier trials, Provenge was a comparatively slow acting therapy with little noticeable slowdown in disease activity in the first couple months. And interim analyses can have higher hurdles (lower p-values) than final analyses. Further, survival benefit only appeared to gel in the latter parts of previous trials. However, the IMPACT study is using death events to trigger interim and final analyses rather than the calendar-based 36-month analysis. Further, management noted that the IMPACT study will be higher powered than the combined prior trials (DD-9901 and DD- 9902A) and that IMPACT death events at the interim analysis will exceed the total 160 death events for prior combined trials. Notable too is the fact that enrollment in the IMPACT trial began in 2003, which is quite a long time ago for those investors who might be worried about a couple month delay in Provenge effectiveness.

The final analysis of IMPACT is triggered at 360 death events. In previous trials, death events averaged approximately 18-20 months after enrollment. So assuming enrollment in IMPACT is completed this year, a final analysis in the 2010 time frame certainly appears achievable. The company has not provided the death event figure required to trigger the interim analysis, but as noted above, the figure is greater than the 160 events in the combined previous trials. Target enrollment for IMPACT is 500 patients, and over 420 have been enrolled so far. Enrollment is expected to be completed this year.

There was little discussion on the conference call about the FDA's second request, dealing with the Chemistry, Manufacturing, and Controls (CMC) section of the BLA. Management reiterated its position about the ability to resolve this request in a timely manner, and then further added that the CMC request was not likely to be a "rate limiting" step (i.e. fulfilling the CMC requirement will be faster than fulfilling the FDA's first request dealing with Provenge's clinical efficacy). We suspect this will prove true, though we acknowledge some level of uncertainty in the time frame of both FDA requests.

Management in general remains committed to its plan to move Provenge forward in the US, whilst seeking a partner for development outside the US. The company did acknowledge however, that it is open to discussions in general, which appears to be a slight softening to its previous stance. In view of the low stock price and limited balance sheet strength, a partner (US or ex-US) might make sense at the right price.

Speaking of the balance sheet, Dendreon reported first quarter results yesterday, and cash and equivalents at the end of the quarter amounted to $88.5 million ($1.09/share), down from $121.3 million at the end of 2006. Loss per share amounted to $0.30, excluding a charge of $0.08 for commercial antigen purchases, which was essentially in line with the street estimate was a loss of $0.29 per share. Management declined to provide quantitative guidance for 2007 at this point, preferring to wait for more information from the FDA.

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However, the company did provide some qualitative guidelines for future cash burn. Specifically cash burn is expected to decline hroughout the year, and cash resources are expected to be adequate to enable the company to reach the interim analysis of the IMPACT study in 2008, but not adequate for a resubmission of the BLA after the interim analysis. Hence, we would expect the company to be opportunistic this year and next with regard to additional financings. We are holding our 2007 earnings estimate unchanged at a loss of $1.00. Our 2007 cash burn estimate remains at $70 million, but with a bias towards lowering this figure. We would expect additional management guidance on or before the Q2 earnings release.
We continue to rate the stock Hold for investors with a one to two year time frame, and expect the shares to remain volatile in the near term with a bias to the downside.

11 May 2007 Canaccord Adams - Joseph Pantginis, Ben Sun
Recent FDA decision on Provenge should have no real impact on Cell Genesys
Regarding the recent FDA decision on Provenge from Dendreon, we believe it should have no real impact on Cell Genesys (other than near-term sentiment).
We reiterate that the multi-antigen approach and the “off-the-shelf” nature offer GVAX distinct functional and commercialization advantages. Further, the strong Phase 2 results from GVAX prostate trials underscore our optimism about the outcome for the VITAL trials. For more detailed discussions, please refer to our industry reports (“Title Fight Coming – GVAX vs. Provenge – Root for Provenge, Bet on CEGE” (08/04/2006); and “The Dawn of Cancer Immunotherapy” (05/09/2007)).

May 11, 2007 Next Generation Equity Research - Liisa Bayko
Dendreon (DNDN) - Dendreon looks to 2008 as next opportunity to get in front of FDA with Provenge.
Event
* Last night, Dendreon hosted a conference call to discuss the FDA’s decision regarding Provenge, as well as, 1Q financial results which were ($0.38) versus our expectations for ($0.31) and consensus of ($0.29). The difference was due to higher than expected R&D expenses.
* Management is focused on 2008 as the next opportunity to present efficacy data to FDA. The company expects that in 2008, a sufficient number of deaths (exact number undisclosed) in the ongoing IMPACT trial will have occurred, triggering an interim analysis of the data. Management believes that if the interim data demonstrates a statistically significant survival advantage, this could address the efficacy related questions posed by the Agency in the approvable letter. We caution that this is management’s interpretation and has not been agreed upon by FDA. The design of the IMPACT trial was subject to an SPA.
* The IMPACT study has currently enrolled 420 out of an expected 500 men with asymptomatic or minimally symptomatic androgen independent prostate cancer. We anticipate the trial to complete enrollment in the second half of 2007 and anticipate the final data, triggered by the 360th death, to be available in 2010.
* The company has about $88 million of cash at the end of Q1, which management claims is sufficient to get them through submission of the interim data from the IMPACT trial to FDA in 2008. We anticipate the company will try to reduce expenses as much as possible, but given the ongoing phase 3 program, w e expect the company to raise cash in 2007.
* While we anxiously wait for the announcement of the outcome of the interim analysis in 2008, we conservatively assume that FDA approval will require submission of the final data set in 2010, as we have limited visibility on whether or not the interim analysis will be sufficient to address FDA’s concerns regarding efficacy.
* Our estimates go to ($0.25), ($0.22), ($1.19) and ($0.78) from ($0.36), ($0.36), ($1.30) and ($0.88) for 3Q, 4Q, 2007 and 2008, respectively.

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Key Risks
* Outcomes of key ongoing trial IMPACT could fail to demonstrate a benefit of Provenge or could give rise to new safety concerns .
* The commercial results for Provenge could miss expectations .
Near-Term Outlook
* We anticipate that the company will raise capital to fund development of Provenge.
Long-Term Outlook
* We anticipate results from the IMPACT trial to become available in 2010 leading to an approval in 2010, should a survival benefit be observed.
Valuation and Recommendation
* Our $5.00 12-month price target is based on a 50 multiple applied to our 2011 earnings estimate discounted at a rate of 45%. This represents about the average multiple afforded to emerging biotech firms, discounted to reflect the risk associated with the approval of Provenge.

May 11, 2007 Needham - Mark Monane, Richard Yeh
Dendreon Corporation (DNDN): Management to Meet with FDA to Address Efficacy and CMC Sections of PROVENGE BLA; Maintain HOLD Due to Uncertain Development Path & Need for Cash
In light of FDA's decision to issue an approvable letter to Dendreon's PROVENGE on Wednesday, we believe that the focus of the Company has now shifted to: 1) completion of patient enrollment (YE07) for Phase 3 IMPACT (D9902B) trial, which we believe is increasingly important towards the final approval of PROVENGE; 2) reduction of burn rate, as we estimate the Company's operating expenses to be in the proximity of $70MM in 2007 - With $88MM in cash, we believe the company needs to take steps in reducing R&D and SG&A expenses (largely by corporate restructuring and head count reduction). Additional capital will likely be needed to complete the interim and final analysis of the IMPACT study; and 3) addressing FDA's specific requests regarding the efficacy of the drug and the CMC section of the BLA. While we continue to be enthusiastic about PROVENGE's market potential, given the uncertainty surrounding the development path of PROVENGE, the lack of ignificant newsflow in the next 12 months, and the likely need for financing going forward, we believe HOLD is the appropriate rating at this time.
* We expect interim analysis of the IMPACT trial in mid-08. The IMPACT trial is a randomized, double-blind, placebo control trial in patients with asymptomatic metastatic HRPC. Under the amended SPA, 500 patients with all Gleason scores will be eligible for enrollment in the D9902B trial, as will patients with minimally symptomatic pain. The primary endpoint is overall survival while time to tumor progression (TTP) is the secondary endpoint. Final analysis will be triggered by the occurrence of 360 events. As with the D9901 and D9902A trials, the Cox multivariate regression model will be employed for data analysis. To date, 400 patients are enrolled in the study, with enrollment expected to complete by YE07. We expect the final data analysis in 2010.
* We await further clarification from the company after meeting with the FDA on the PROVENGE BLA. Management plans to meet with FDA to further discuss the specific clinical data requested by the agency to address the efficacy issue, and specific information requested by the FDA in the CMC section. These meetings take place usually within 45 days.
* DNDN ended 1Q07 with approximately $88MM in cash and cash equivalents. Under our cost reduction scenario, we estimate that Dendreon's net burn rate in 2007 will be approximately $71MM. We expect that the Company's current cash levels to last into mid-08.
NEWSWORTHY EVENTS EXPECTED WITHIN THE NEXT 3-6 MONTHS
- Present data on PROVENGE at the upcoming AUA (Anaheim, CA; May 19-24, 2007) and ASCO Meeting (Chicago, IL; June 1-9, 2007);
- Await further update on FDA requests in approvable letter (2Q/3Q07);

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- Complete enrollment of D9902B Phase 3 PROVENGE trial (YE07);
- Report interim look of D9902B Phase 3 PROVENGE trial (mid-08);
- Seek ex-US corporate partnership for PROVENGE (ongoing).

FINANCIAL ANALYSIS

DNDN ended 1Q07 with approximately $88MM in cash and cash equivalents. Based on our preliminary analysis, we believe that the Company needs to take drastic steps in reducing R&D and SG&D expenses, most likely by corporate restructuring and head count reduction. In our model, we estimate that the Company will take the cost reduction measurements in the second or third quarter in 2007 (see our revised income statement). Under our cost reduction scenario, we estimate that the company's 2007 net burn rate should be approximately $71MM. In addition, we modeled that the Company to raise additional capital by YE07 to address its cash needs to complete the interim analysis of the IMPACT study. We expect that Dendreon's current cash levels to last into mid-08.

VALUATION ANALYSIS

In the wake of FDA's decision to grant an approvable letter for Dendreon's PROVENGE, for the purpose of modeling, we have adopted a conservative approach to valuation which would require full data from the D9902B trial (expected 2010) as part of the PROVENGE BLA. We have performed a weighted average, decision analysis model to derive at a target price based on the D9902B trial. With a product launch in 2011, based on a D9901B trial result in 2010, a peak sale of ~$1B in 2015, and a sales multiple of 5, our projected enterprise value of $614MM was derived using a 35% discount. Using this model, we expect the stock to trade arounc $3.75-$5.25. We expect that there will be increased volatility around the stock with any newsflow from the FDA process. In addition, we believe that the need for additional financing creates an overhang over the stock and stock price.

RECENT AND EXPECTED UPCOMING EVENTS:

PROVENGE (SIPULEUCEL-T)

* Report full D9902A dataset presentation at the ECCO Meeting in Paris (October 31, 2005);
* Complete construction of NJ manufacturing facility (mid-06);
* Publish D9901 Phase 3 results in a peer reviewed journal;
* Report top-line data on Phase 3 P-11 trial in AIPC (4Q06);
* Report additional data from Phase 3 trial of PROVENGE D9901 study at upcoming medical meeting (4Q06)
* Submit BLA application of PROVENGE to the FDA on rolling basis (3Q06) and complete the submission of the BLA (4Q06) ;
* Received Fast Track Status from FDA for PROVENGE BLA application (May 15, 2007 PDUFA date)
* Await PDUFA date for completion of PROVENGE BLA review (May 15, 2007);
- Present data on PROVENGE at the upcoming AUA (Anaheim, CA; May 19-24, 2007) and ASCO Meeting (Chicago, IL; June 1-9, 2007);
- Await further update on FDA approvable letter (2Q/3Q07);
- Complete enrollment of D9902B trial (YE07);
- Report interim look of D9902B Phase 3 PROVENGE trial (mid-08);
- Seek ex-US corporate partnership for PROVENGE (ongoing).

APC 8024 (LAPULEUCEL-T)

- Initiate Phase 2 trial for APC8024 in breast or other Her2/neu-related cancer (2007).

TRP-8

* Report Trp-8 preclinical data at the Ion Channel Target Conference in Boston, MA (September 2005);
- Select lead clinical candidates from the Trp-p8 program (1H07);
- Seek partnership for Trp-p8 program (ongoing).

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					INVESTMENT RISKS Financial risk: As of the end of 1Q07, Dendreon has approximately $88MM in cash, cash equivalents, and marketable securities. In November 2006, Dendreon raised ~$45MM from the sale of 9.89MM shares of common stock directly to select institutional investors. We believe that the Company needs to take steps to reduce R&D and SG&D expenses, most likely by corporate restructuring and head count reduction. Developmental risk: The D9902B trial may fail to meet efficacy endpoints. Dendreon is developing its lead product PROVENGE for the management of hormone refractory prostate cancer. The major driver will be the Phase 3 trial (D9902B) results in prostate cancer; while the results will be binary in nature, we believe the design and conduct of the current Phase 3 trial favor are solid. While the D9901 data were compelling in our opinion, the D9902 data, which did not show benefit in TTP, add uncertainty going forward. We note the encouraging D9902A survival data reported in 3Q05. Regulatory risk: Dendreon may not obtain regulatory or marketing approval for its product candidates. The company may fail to obtain regulatory approval to market its product candidates. The current BLA for PROVENGE has received an approvable letter in May 2007: the exact nature of the next steps is unclear at this time. We believe that if the clinical trial results meet the desired endpoint, the cancer vaccine approach, although novel, may achieve regulatory success. The company received an approvable letter. Commercialization risk: Dendreon may not be successful in commercializing PROVENGE and may be unable to generate significant revenue to continue operating the core business, as this is the company's first drug to market. With regard to commercialization, GAMBRO will be responsible for blood sample collection and distribution. GAMBRO has 550 sites in the US and 600 sites in Europe, including 60 high-volume centers. Dendreon recently hired several key personnel in the sales and marketing field, including James V. Caggiano, who recently led the marketing operation for Lupron, a billion-dollar prostate cancer drug by TAP. Dendreon is currently constructing a manufacturing facility in New Jersey. In light of FDA's approval letter, current sales efforts may be halted or eliminated. *Date: May 11 2007 14:57:21 Wire: Briefing.com Global Menu (BRF)* **DNDN: Dendreon pushes to session highs as it sets up to challenge this wk's gap down at 6.27 (6.22 +0.70) [Update] [Technical]** *Date: May 11 2007 16:17:19 Wire: TheFlyontheWall.com (FLY)* **Option Update – May 11, 2007 [MORE]** Volatility Index S&P 500 Options-VIX down .65 to 12.95. Option volume leaders today were: AMGN, AAPL, DNDN, & AMD.
5/14/2007	42,284,165	$6.18	1.15%	0.81	*Date: May 14 2007 9:42:25 Wire: TheFlyontheWall.com (FLY)* **Most active equity option families in first 10-minutes of Trading** Most active equity option families in first 10-minutes of Trading: AAPL DNDN F according to Track Data.
5/15/2007	22,571,865	$5.69	-7.93%	(2.86)	*Date: May 15 2007 23:18:47 Wire: Market News Publishing (CMN)* **DNDN US: Cash Flow from Operations Hits Six Year Low** DENDREON CORP ("DNDN-Q") - Cash Flow from Operations Hits Six Year Low CashFlowNews.com reports that negative Cash Flow from Operations for Dendreon Corporation (NASDAQ:DNDN) for its twelve months ended March 31, 2007 was $(84,816,000), a 10.9% deterioration over the year earlier same twelve months when Dendreon generated $(76,482,000) in negative Cash Flow from Operations. Cash Flow from Operations for the most recent twelve months also reached a six year low.

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Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					For Dendreon's quarter ended March 31, 2007 Cash Flow from Operations was $(30,327,000), compared with $(26,475,000), a 14.6% deterioration over the comparable year earlier quarter. Dendreon has generated twenty-two consecutive quarters of negative Cash Flow from Operations. Cash Flow from Operations for the most recent quarter also reached a seven year low. The shares of Dendreon were recently trading at $6.18. *Date: May 15 2007 23:47:02 Wire: Market News Publishing (CMN)* **DENDREON CORP ("DNDN-Q") - StockDiagnostics.com Reiterates Dendreon's OPS Ranking of "8"** StockDiagnostics.com announced that it has reiterated its OPS Ranking of "8" for Dendreon Corporation (NASDAQ:DNDN). Dendreon has had an OPS Ranking of "8" for ten consecutive quarters. StockDiagnostics.com's maintaining of the OPS RankingTM is based on Dendreon's recently filed Cash Flow Statements for its quarter ended March 31, 2007. The company's computed OPS TM (Operational-cashflow Per Share) for the quarter was $-0.37 per share as compared to $-0.37 per share for the comparable year earlier quarter. OPS for the most recent 12 months ended March 31, 2007 was $-1.13 per share as compared to $-1.22 per share for the 12 months ended March 31, 2006. OPS for Dendreon's trailing twelve months reached a one year high. The shares of Dendreon were recently trading at $6.18.
5/16/2007	26,707,960	$5.99	5.27%	1.68	*Date: May 16 2007 6:33:44 Wire: Market News Publishing (CMN)* **DENDREON CORP ("DNDN-Q") - Seven Year Low in Free Cash Flow for Dendreon** CashFlowNews.com reports that negative Free Cash Flow for Dendreon Corporation (NASDAQ:DNDN) for its quarter ended March 31, 2007 was $(31,443,000), a 8.6% deterioration over the year earlier same quarter when Dendreon generated $(28,950,000) in negative Free Cash Flow. Dendreon has generated twenty-two consecutive quarters of negative Free Cash Flow. Free Cash Flow for the most recent quarter also reached a seven year low. For Dendreon's twelve months ended March 31, 2007 Free Cash Flow was $(95,951,000), compared with $(86,657,000), a 10.7% deterioration over the comparable year earlier twelve months. Free Cash Flow for the most recent twelve months also reached a six year low. The shares of Dendreon were recently trading at $6.18. *Date: May 16 2007 16:00:39 Wire: TheFlyontheWall.com (FLY)* **Option Update – May 16, 2007 [MORE]** Volatility Index S&P 500 Options-VIX down .50 to 13.51. Option volume leaders today were: AAPL, DNDN, C, DELL & GOOG.
5/17/2007	26,233,279	$6.38	6.51%	3.37	*MAY 17, 2007 Rodman & Renshaw - Ren Benjamin, Ling Wang, Yale Jen* **Biotechnology Industry Update** Dendreon (DNDN, Not Rated) received an approvable letter for Provenge approval in metastatic HRPC. Dendreon Receives FDA Request for Additional Clinical Data for Provenge in Metastatic HRPC On May 9, 2007, Dendreon (DNDN, Not Rated) announced that it received a Complete Response Letter, or an approvable letter from the FDA regarding its Biologics License Application (BLA) for PROVENGE (sipuleucel-T) for the treatment of asymptomatic, metastatic, androgen-independent (also known as hormone refractory) prostate cancer. The FDA has requested additional clinical data in support of the efficacy claim contained in the BLA. The Company is seeking a clarification from the FDA as to the nature of the

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data that is being requested.
The FDA has also requested additional information with respect to the chemistry, manufacturing and controls (CMC) section of the BLA, which the Company believes it can supply to the FDA in a timely manner. On March 29, 2007, the FDA's Office of Cellular, Tissue and Gene Therapies Advisory Committee was asked if the submitted data established that PROVENGE is reasonably safe and whether there is substantial evidence that the product is efficacious. The Advisory Committee voted 17 to 0 in favor of the safety of PROVENGE and 13 to 4 in favor of the efficacy of PROVENGE.
PROVENGE Biologics License Application
Dendreon's BLA was submitted under a Fast Track designation and was accepted for filing by the FDA in January 2007. The BLA was based primarily on a multi-center, randomized, double-blind, placebo-controlled Phase 3 study (D9901) that showed that the group of men with asymptomatic, metastatic, androgen-independent prostate cancer who received PROVENGE had a median survival time 4.5 months longer than the median survival seen in the group that had been assigned to receive placebo. For the men who received PROVENGE, there was a 41 percent overall reduction in the risk of death (p-value = 0.010; HR = 1.7). In addition, 34 percent of patients receiving PROVENGE were still alive 36 months after treatment compared to 11 percent of patients randomized to receive placebo. Treatment with PROVENGE was generally well tolerated. The majority of side effects were mild, including infusion-related fever and chills that were usually of low grade and typically lasted for one to two days following infusion.
Ongoing Clinical Study
IMPACT (IMmunotherapy for Prostate AdenoCarcinoma Treatment) also known as D9902B, is an ongoing Phase 3 clinical trial measuring overall survival in men with hormone-refractory prostate cancer receiving PROVENGE versus those receiving placebo. In order to be eligible to participate in the IMPACT study, a person must meet certain criteria, such as having cancer that has spread outside the prostate (metastatic) or cancer that has worsened while on hormone therapy among other additional criteria.

Date: May 17 2007 15:00:59 Wire: TheFlyontheWall.com (FLY)
Top-Five stocks with option implied volatility above 95 [MORE]
Top-Five stocks with option implied volatility above 95 with semi-liquid volume according to Track Data: NRMX NFI DNDN KRY LEND

Date: May 17 2007 21:49:48 Wire: BLOOMBERG News (BN) By James Temple
Dendreon Fires 40 Employees, 15% of Staff, Seattle Post Reports
May 17 (Bloomberg) -- Dendreon Corp. fired 40 employees, or 15 percent of the drugmaker's 250-person staff, the Seattle Post-Intelligencer reported.
A spokeswoman for the Seattle-based biotechnology company said most of the employees would have marketed Provenge, a treatment for advanced prostate cancer that the U.S. Food and Drug Administration rejected last week, the newspaper said. The FDA requested more data showing the drug is effective, it said.
Provenge, the company's only product, will be released in 2009 at the earliest, the newspaper said, citing spokeswoman Monique Greer. If approved, the drug would be the only option besides chemotherapy for patients with advanced prostate cancer, the newspaper said, citing the company.
No additional job cuts are planned, the Post-Intelligencer reported Greer as saying. Those employees could potentially be rehired, she told the newspaper.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
5/18/2007	18,118,446	$6.07	-4.86%	(2.49)	*May 18, 2007 Janney Montgomery Scott - Brian D. Rye* **Research Note** We note that an FDA advisory panel's surprisingly positive recommendation for Dendreon's prostate cancer vaccine Provenge in late March provided a transient boost for shares of other companies with late-stage cancer vaccine candidates, including Biomira. Last week, however, the FDA went against the panel's recommendation and issued an "Approvable" letter to Dendreon, requesting additional clinical data. In light of that decision and BIOM's subsequent return to a more attractive valuation, we believe it is now an appropriate time for suitable interested new investors to take a good look at the company. *Date: May 18 2007 7:43:43 Wire: Briefing.com Global Menu (BRF)* **DNDN: Dendreon will delay Provenge, cuts jobs - Seattle Post-Intelligencer (6.38)** Seattle Post-Intelligencer reports Dendreon will delay releasing its much-anticipated Provenge drug to fight prostate cancer until at least next year and possibly until 2010, spokeswomen said Thursday. Because of that delay, the co Thursday cut 15% of its 250-person work force, laying off the roughly 40 staffers who were preparing to begin marketing Provenge later this year, said one spokeswoman, Monique Greer, in an interview Thursday morning. "We expect interim data in 2008, but it's event-driven, by deaths or survival, so it could be 2010 until we have final-survival analysis," Greer said in an interview Thursday morning. The drug will make it to the market at the earliest in 2009, potentially, she said. She said the co plans to meet with the FDA in the near future and will base its next steps on the results of that meeting. The layoffs were ordered because "the company has to do what it must to survive until we can fulfill the requirement and garner that (FDA) approval," she said. Thursday afternoon, another co spokeswoman, Katherine Stueland, said in an interview that the 2009 release date Greer provided was incorrect. She said Provenge could come to mkt as early as 2008 if the interim analysis is all the FDA requires before it allows the drug to be released. But, she acknowledged, "we don't know that an interim analysis is all we'll have to do." *Date: May 18 2007 8:41:26 Wire: Briefing.com Global Menu (BRF)* **DNDN: Dendreon: Color on workforce reduction (6.38) [Update]** UBS notes that based on press reports, DNDN has cut 15% of its 250-person workforce (~40 people). While not yet confirmed with DNDN, if true, the cuts come on the heels of last week's news on Provenge, w/ those let go believed to mostly be involved w/ Provenge pre-launch activities. While this move will help reduce DNDN's cash burn, until they get better clarity on spending going forward, the firm continues to believe financing risk exists, & see a capital raise (and possible dilution) as an '.07 event. Firm has no change to their estimates, as job cuts are already in their model. They remain cautious andsee a long road ahead for Provenge. *Date: May 18 2007 15:59:46 Wire: TheFlyontheWall.com (FLY)* **Option Update – May 18, 2007 [MORE]** Volatility Index S&P 500 Options-VIX down .71 to 12.80. Option volume leaders today were: INTC, DNDN, AAPL, YHOO & ELN. *Date: May 18 2007 17:49:16 Wire: Briefing.com Global Menu (BRF)* **DNDN: HBK Investments discloses 7.7% stake in Dendreon (DNDN) in 13G filing (6.07 -0.31)[Update]**

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
5/20/2007	Sunday				*Date: May 20 2007 18:30:09 Wire: PR Newswire: U.S. (PRN)* **Dendreon Announces Presentation of Data at American Urological Association Annual Meeting -Data May Support Use of** ROVENGE(R) as Front-line Treatment in Advanced Prostate Cancer- SEATTLE and ANAHEIM, Calif., May 20 /PRNewswire-FirstCall/ -- Dendreon Corporation (Nasdaq: DNDN) today announced the presentation of data from an analysis of Phase 3 Studies (D9901 and D9902A) that showed a prolonged survival benefit for patients who were initially treated with PROVENGE (sipuleucel-T) who then went on to receive docetaxel chemotherapy after disease progression. The data were presented today at the American Urological Association (AUA) Annual Meeting in Anaheim, California. The abstract, titled "Advanced Prostate Cancer Patients who Receive Sipuleucel-T followed by Docetaxel Have Prolonged Survival" (#605), authored by Daniel P. Petrylak, M.D., associate professor of medicine at New York- Presbyterian Hospital at the Columbia University Medical Center, is based on an exploratory analysis conducted to assess the influence of the active cellular immunotherapy PROVENGE on the clinical outcome of patients who subsequently went on to receive docetaxel chemotherapy after primary treatment with PROVENGE. The analysis was conducted by evaluating data from two Phase 3 clinical trials of PROVENGE in patient with asymptomatic, metastatic, androgen-independent prostate cancer (AIPC). "The results of this analysis suggest that the use of sipuleucel-T as a first-line treatment followed by the chemotherapy docetaxel upon disease progression may provide patients with a substantially prolonged survival benefit," said Dr. Petrylak. "This analysis provides valuable clinical insight as to how the treatment of men with advanced prostate cancer will likely evolve with the potential introduction of new products like sipuleucel- T that complement the currently available treatment regimens for men with advanced prostate cancer." Study Design and Results This analysis was conducted by evaluating data from two identically designed randomized Phase 3 trials (D9901 and D9902A; n=225) conducted in men with asymptomatic, metastatic, androgen independent prostate cancer. Survival analyses were performed on the subgroup of 82 patients in the trials that were documented to have received docetaxel chemotherapy following initial treatment with either PROVENGE or placebo. According to the analysis, the patients who received initial treatment with PROVENGE followed by docetaxel had a median survival of 34.5 months compared to 25.4 months for those patients in the placebo arm who received treatment with docetaxel chemotherapy, a 9.1 month difference. In addition, an analysis of overall survival demonstrated that patients in the PROVENGE arm who received subsequent therapy with docetaxel had a 47 percent reduction in their risk of death compared to those in the placebo arm who received subsequent therapy with docetaxel (HR = 1.90, p-value = 0.023). *Date: May 20 2007 20:55:20 Wire: BLOOMBERG News (BN) By Adam Satariano* **Dendreon Says Drug May Extend Life of Prostate Cancer Patients** May 20 (Bloomberg) -- Dendreon Corp. said a new report suggests its drug Provenge, which U.S. regulators have delayed approving for the market, prolongs the life of prostate cancer patients by nine months. The analysis of 82 patients who took Provenge and then received docetaxel chemotherapy found the median survival rate was 34.5 months, compared with 25.4 months for patients who took a placebo, Seattle-based Dendreon said in a statement distributed today by PR Newswire. Patients also had 47 percent less risk of death, Dendreon said The report follows the Food and Drug Administration's refusal this month to approve Provenge, the company's only product, because regulators want to see more data supporting the drug's effectiveness. The drug would have been the company's first marketed product since its founding in 1992. The company's stock fell 65 percent following the FDA announcement on May 9.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					In one study presented to a FDA advisory panel, Provenge prolonged lives in advanced prostate cancer. Still, the drug didn't meet the trial's primary goal of slowing the spread of the disease. The findings announced today suggest the drug ``may provide patients with a substantially prolonged survival benefit," Daniel P. Petrylak, an associate professor of medicine at New York-Presbyterian Hospital at the Columbia University Medical Center, said in the statement. Petrylak wrote the abstract for the study of the survival benefits. The analysis was presented at the annual meeting of the American Urological Association in Anaheim, California. Dendreon spokeswoman Monique Greer wasn't reachable for comment. *Shares of Dendreon, which have increased 46 percent this year, declined 31 cents to $6.07 on May 18.*
5/21/2007	43,969,726	$6.80	12.03%	4.70	*Date: May 21 2007 3:26:18 Wire: Briefing.com Global Menu (BRF)* **DNDN: Dendreon announces presentation of data at American Urological Association annual meeting (6.07)** Co announces the presentation of data from an analysis of Phase 3 Studies that showed a prolonged survival benefit for patients who were initially treated with PROVENGE who then went on to receive docetaxel chemotherapy after disease progression. The data were presented at the American Urological Association meeting. *Date: May 21 2007 11:40:46 Wire: Briefing.com Global Menu (BRF)* **DNDN: Dendreon spikes to session highs as CNBC runs segment, saying small group of patient advocates will be meeting with FDA 2 weeks from today (7.00 +0.93)[Update]** *Date: May 21 2007 13:37:33 Wire: BLOOMBERG News (BN) By Lynn Thomasson* **American Superconductor, Antigenics, Alltel: U.S. Equity Movers** May 21 (Bloomberg) -- The following is a list of companies whose shares are having unusual price changes in U.S. exchanges today. Stock symbols are in parentheses after company names. Share prices are as of 1:05 p.m. New York time. Dendreon Corp. (DNDN US), another developer of immune- stimulating therapies for cancer, rose 89 cents, or 15 percent, to $6.96. *Date: May 21 2007 15:01:28 Wire: BLOOMBERG News (BN) By Luke Timmerman* **Dendreon Shares Rise as Patient Advocates Plan Meeting With FDA** May 21 (Bloomberg) -- Dendreon Corp. shares rose as much as 19 percent after advocates for prostate-cancer patients said they would meet with the top U.S. drug regulator to urge access to Provenge, a treatment awaiting a decision on approval. The advocates have an appointment June 4 in Washington with Andrew von Eschenbach, commissioner of the U.S. Food and Drug Administration, said Jim Kiefert, chairman of Us Too International, one of the advocacy groups. Patients and family members will hold a rally in Washington the next day, he said. Dendreon said on May 9 that the FDA asked for more evidence that the company's drug is effective. That put off a decision on approval. Advocates said they were surprised by the delay after a panel of advisers to the agency voted in March to recommend approval. If cleared, Provenge would be the first treatment to stimulate the immune system to attack tumor cells, and could generate up to $1 billion a year in sales, analysts say. ``We're not going to bang on Dr. von Eschenbach's desk and tell him he's doing a bad job," Kiefert said in a telephone interview. ``We want to see if there's a way for men with advanced prostate cancer to get access to this drug." FDA spokeswoman Karen Riley confirmed that von Eschenbach will meet with patient advocates in early June. Dendreon shares rose 75 cents, or 12 percent, to $6.82 at 2:56 p.m. New York time in Nasdaq Stock Market composite trading.

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

The advocacy groups aren't taking money from Dendreon, and want to keep an ``arm's length'' relationship with the company, Kiefert said. His group is part of a larger one called Raise a Voice.

New Family of Drugs

Provenge would have been the first marketed product for Dendreon since its 1992 founding. The medicine is part of a new family of drugs that trigger the immune system to attack malignant tumors. While Provenge prolonged lives in advanced cases in one study presented to an FDA advisory panel this year, the drug didn't meet the trial's primary goal of slowing the spread of the disease.

Dendreon has said it expects to get more interim results from a study of 500 prostate cancer patients in 2008, and full data on its potential survival benefit in 2010.

Date: May 21 2007 16:02:20 Wire: TheFlyontheWall.com (FLY)
Option Update – May 21, 2007
Volatility Index S&P 500 Options-VIX up .25 to 13.01. Option volume leaders today were: AMZN, ELN, DNDN, F, AAPL & MOT

Date: May 21 2007 16:14:06 Wire: BLOOMBERG News (BN) By Luke Timmerman
Antigenics Says Drug Cut Relapse Risk; Shares Rise (Update2)
The company's stock has mirrored the ups and downs of Seattle-based Dendreon Corp., another developer of immune- stimulating therapies for cancer. Antigenics stock rose 12 percent on March 30, after Dendreon received a positive recommendation from an FDA advisory panel.

Antigenics shares then dropped 12 percent on May 9, when the FDA asked Dendreon to provide more information to show its prostate cancer treatment is effective.

Date: May 21 2007 16:16:35 Wire: BLOOMBERG News (BN) By Lynn Thomasson
Alltel, Amazon, FX Energy, Williams: U.S. Equity Movers Final
May 21 (Bloomberg) -- The following is a list of companies whose shares had unusual price changes in U.S. exchanges today. Stock symbols are in parentheses after company names. Shares prices are as of 4 p.m. New York time.
Dendreon Corp. (DNDN US), another developer of immune- stimulating therapies for cancer, rose 73 cents, or 12 percent, to $6.80.

Date: May 21 2007 16:26:52 Wire: BLOOMBERG News (BN) By Luke Timmerman
Dendreon Rises 12% as Advocates Plan Meeting With FDA (Update1)
May 21 (Bloomberg) -- Dendreon Corp. shares rose 12 percent after advocates for prostate-cancer patients said they would meet with the top U.S. drug regulator to urge access to Provenge, a treatment awaiting a decision on approval.

The advocates have an appointment June 4 in Washington with Andrew von Eschenbach, commissioner of the U.S. Food and Drug Administration, said Jim Kiefert, chairman of Us Too International, one of the advocacy groups. Patients and family members will hold a rally in Washington the next day, he said.

Dendreon said on May 9 that the FDA asked for more evidence that the company's drug is effective. That put off a decision on approval. Advocates said they were surprised by the delay after a panel of advisers to the agency voted in March to recommend approval. If cleared, Provenge would be the first treatment to stimulate the immune system to attack tumor cells, and could generate up to $1 billion a year in sales, analysts say.

``We're not going to bang on Dr. von Eschenbach's desk and tell him he's doing a bad job,'' Kiefert said in a telephone

Dendreon Securities Litigation

Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					interview. ``We want to see if there's a way for men with advanced prostate cancer to get access to this drug." FDA spokeswoman Karen Riley confirmed that von Eschenbach will meet with patient advocates in early June. Dendreon shares rose 73 cents to $6.80 at 4 p.m. New York time in Nasdaq Stock Market composite trading. Earlier they surged as much as 19 percent to $7.24 and have gained 63 percent this year. The advocacy groups aren't taking money from Dendreon, and want to keep an ``arm's length" relationship with the company Kiefert said. His group is part of a larger one called Raise a Voice. New Family of Drugs Provenge would have been the first marketed product for Dendreon since its 1992 founding. The medicine is part of a new family of drugs that trigger the immune system to attack malignant tumors. While Provenge prolonged lives in advanced cases in one study presented to an FDA advisory panel this year, the drug didn't meet the trial's primary goal of slowing the spread of the disease. Dendreon has said it expects to get more interim results from a study of 500 prostate cancer patients in 2008, and full data on its potential survival benefit in 2010.
5/22/2007	25,073,797	$7.18	5.59%	2.06	*Date: May 22 2007 9:48:58 Wire: TheFlyontheWall.com (FLY)* **Most active equity option families in first 20-minutes of Trading** Most active equity option families in first 20-minutes of Trading: MU FMT DNDN AMZN ELN according to Track Data. *Date: May 22 2007 16:50:01 Wire: Interactive Brokers (IBR)* **Illinois Toolmaker Under the Hammer, May 22, 2007** Illinois Tool Works (ITW) has seen implied volatility jump 72 percent today as its shares leapt 3.4 percent to stand at $53.72. Volatility suddenly stands at 1.5 times its typical level implying that something is happening at the engineering company…. Looks like a neat trade when you consider that all that glitters is not gold. If you don't believe us, ask investors at Dendreon (DNDN), where shares had surged from $5.00 - $25.00 before returning to the start line. The options series is again one of the most actively traded today thanks to the announcement of a 20 percent job cut at the company.
5/23/2007	13,834,064	$6.84	-4.74%	(2.08)	*Date: May 23 2007 0:29:15 Wire: Briefing.com Global Menu (BRF)* **'Mad Money' Recap: Lightning Round cont. - TheStreet.com** Cramer was bearish on on Aegean Marine Petroleum (ANW), Color Kinetics (CLRK), Daktronics (DAKT) and Dendreon (DNDN).
5/24/2007	8,602,732	$6.55	-4.24%	(0.89)	*Date: May 24 2007 9:00:23 Wire: PR Newswire: U.S. (PRN)* **Dendreon to Webcast Presentation at the Bank of America 2007 Health Care Conference** SEATTLE, May 24 /PRNewswire-FirstCall/ -- Dendreon Corporation (Nasdaq: DNDN) today announced that management will present at the Bank of America 2007 Health Care Conference at The Four Seasons, Las Vegas on Thursday, May 31 at 10:00 a.m. Pacific Time. The presentation will be audio webcast live and available for replay from Dendreon's website, http://www.dendreon.com. The replay of the presentation will be available for 90 days. *Date: May 24 2007 10:15:38 Wire: BLOOMBERG News (BN) --Sybil Chahbandour* **Dendreon Cut to `Market Perform' at JMP Securities: DNDN US** Princeton, New Jersey, May 24 (Bloomberg Data) -- Dendreon Corp. (DNDN US) was downgraded to ``market perform" from ``market outperform" by analyst Charles C Duncan at JMP Securities.

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Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
5/25/2007	8,813,495	$6.53	-0.31%	(0.34)	*Date: May 25 2007 13:27:37 Wire: PR Newswire: U.S. (PRN)* **Federman & Sherwood Announces That a Securities Class Action Lawsuit has Been Filed Against Dendreon Corporation** OKLAHOMA CITY, May 25 /PRNewswire/ -- On May 24, 2007, a class action lawsuit was filed in the United States District Court for the Western District of Washington against Dendreon Corporation (Nasdaq: DNDN). The complaint alleges violations of federal securities laws, Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5, including allegations of issuing a series of material misrepresentations to the market which had the effect of artificially inflating the market price. The class period is from March 30, 2007 through May 8, 2007. Plaintiff seeks to recover damages on behalf of the Class. If you are a member of the Class as described above, you may move the Court no later than Tuesday, July 24, 2007, to serve as a lead plaintiff for the Class. However, in order to do so, you must meet certain legal requirements pursuant to the Private Securities Litigation Reform Act of 1995. *Date: May 25 2007 16:12:41 Wire: BLOOMBERG News (BN) By Luke Timmerman* **Dendreon Faces Shareholder Suit After Drug Delay (Update2)** May 25 (Bloomberg) -- Dendreon Corp. is facing a shareholder lawsuit after U.S. regulators delayed the company's most advanced drug in development and the value of the stock dropped by more than half. Federman & Sherwood, a law firm in Oklahoma City, filed the lawsuit on behalf of shareholders against Seattle-based Dendreon in federal court in western Washington, according to a statement from the firm distributed by PR Newswire. Dendreon's shares more than doubled on March 30, after a panel of expert advisers to the U.S. Food and Drug Administration said the company's Provenge prostate-cancer treatment was safeand effective. Dendreon then lost almost $1 billion of its stock- market value in a drop of $11.41 a share on May 9, when it said the FDA asked for more data showing the drug works. The complaint alleges the company made ``a series of material misrepresentations,'' according to the law firm's statement. Dendreon had no comment on the suit, said spokeswoman Monique Greer in a telephone interview. Shares of Dendreon fell 2 cents to $6.53 at 4 p.m. today in Nasdaq Stock Market composite trading. They've gained 62 percent in the past 12 months.
5/29/2007	5,401,154	$6.64	1.68%	0.51	*29 May 2007 Credit Suisse - Ravi Mehrotra, Andrew Sinclair, Thomas Bedford, Dara Henry, Ian Hilliker* **Biotechnology (Biotechnology & Biopharmaceuticals)** Provenge approvable letter On the 09 May 2007, Dendreon’s Provenge received an approvaeable (Complete Response Letter (CRL)) from the FDA in respose to the drug’s BLA filing as a first line treatment for HRPC. The CRL requested additional clinical data to support the drug’s efficacy claim. Provenge (Sipuleucel–T) is a biologic treatment tailored from an individual patient’s antigen presenting cells by co-culturing them with a recombinant protein containing prostatic acid phosphatase. The mixture (Sipuleucel–T) is then infused back into the patient where it should start to stimulate a T-cell response against cancerous prostate cells. In contrast to this outcome, Provenge obtained a positive response from the FDA Cellular, Tissue and Gene Therapies Advisory Committee (TGTAC), who on the balance of the available data voted 17 to 0 in favour of Provenge in terms of safety and 13 to 4 in favour of Provenge’s efficacy profile as a first line treatment for HRPC. It is should be noted that GPC’s Satraplatin will be evaluated by a different FDA organisation, the Oncologic Drugs Advisory Committee (ODAC), and that the FDA committee evaluating a drug’s filing (either NDA or BLA) do not have to follow the advice of the associated Advisory Committee. Furthermore, there is no overlap between the members of the two Advisory Committees, as both groups have different therapeutic focuses – the TGTAC sits

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Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts
					under the CBER (Centre for Biologics Evaluation and Research) section of the FDA, whilst the ODAC is part of the CDER (Centre for Drug Evaluation and Research)
5/30/2007	7,614,447	$6.74	1.51%	0.53	
5/31/2007	113,433,923	$8.55	26.86%	11.48	*Date: May 31 2007 9:00:20 Wire: PR Newswire: U.S. (PRN)* **Dendreon Announces FDA Confirms Data Required for Provenge(R) Licensure - - Bank of America Company Presentation Available Via Webcast at 10:00 a.m. PT Today -** SEATTLE, May 31 /PRNewswire-FirstCall/ -- Dendreon Corporation (Nasdaq: DNDN) today announced the Company has received confirmation that the U.S. Food and Drug Administration (FDA) will accept either a positive interim or final analysis of survival from its ongoing IMPACT study to supplement the Biologics License Application (BLA) for PROVENGE (sipuleucel-T). This information was obtained in a recent follow up meeting with the FDA to discuss the additional clinical data required to support the licensure of PROVENGE requested by the FDA in the Complete Response Letter the Company received on May 8, 2007. "The FDA indicated that either a positive interim or final analysis of survival, as described in the IMPACT Special Protocol Assessment Agreement, would address their request for the submission of additional clinical data in support of our efficacy claim," said Mitchell H. Gold, M.D., president and chief executive officer of Dendreon. "We anticipate completing enrollment in the IMPACT study this year and anticipate interim survival results in 2008. We are committed to making PROVENGE available as rapidly as possible to help the many men with late-stage prostate cancer who currently have few appealing treatment options." *Date: May 31 2007 9:18:44 Wire: BLOOMBERG News (BN) By Catherine Larkin* **Dendreon Says Interim Data on Cancer Drug May Satisfy U.S. FDA** May 31 (Bloomberg) -- Dendreon Corp. said positive data from an interim analysis of its experimental prostate-cancer treatment may be sufficient for U.S. regulatory approval. The Food and Drug Administration will accept positive survival data from either an interim or final analysis of a study on the Provenge treatment, Seattle-based Dendreon said today in a statement distributed by PR Newswire. The FDA told the company on May 8 that the agency needed additional data showing that the drug worked before granting marketing approval. *Date: May 31 2007 9:45:58 Wire: TheFlyontheWall.com (FLY)* **Most active equity option families in first 10-minutes of Trading** Most active equity option families in first 10-minutes of Trading: DNDN AAPL CSCO YHOO according to Track Data. *Date: May 31 2007 10:00:08 Wire: TheFlyontheWall.com (FLY)* **Dendreon-DNDN implied volatility spikes as DNDN rallies on positive FDA** DNDN is recently up $2.81 to $9.56. The FDA will accept DNDN's Provenge data for prostate cancer. DNDN June call option implied volatility is at 125 puts are at 138 according to Track Data, suggesting larger price fluctuations. *Date: May 31 2007 10:29:01 Wire: BLOOMBERG News (BN) By Jeff Kearns* **Dendreon, Mohawk Industries, Novell, Sears: U.S. Equity Movers** May 31 (Bloomberg) -- The following is a list of companies whose shares are having unusual price changes in U.S. exchanges today. Stock symbols are in parentheses after company names. Share prices are as of 10:10 a.m. New York time. Dendreon Corp. (DNDN US) rose $3.03, or 45 percent, to $9.77 and traded as high as $13. The drugmaker said in a PR Newswire

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Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

statement that positive data from an interim analysis of its experimental prostate-cancer treatment Provenge may be sufficient for U.S. regulatory approval.

Date: May 31 2007 13:04:17 Wire: Briefing.com Global Menu (BRF)
Stock Market Update: Dow: +27.81, Nasdaq: +13.37
The Russell 2000 turning in a similar performance (+0.5%) further underscores today's domination on the part of bargain hunters and the rotation out of large-cap stocks into more growth-oriented names. Dendreon (DNDN 9.30 +2.56),a Nasdaq-listed name and member of the Russell 2000, is today's best performer (+38%) overall following the FDA â€˜s approval of its experimental prostate vaccine Provenge. It also accounts for the most volume (74 mln shares).

Date: May 31 2007 13:46:50 Wire: Briefing.com Global Menu (BRF)
DNDN: Dendreon presentation at Bank of America Health Care Conference Call Summary (8.53 +1.79)
CEO is presenting from pre-prepared slides. He highlights the complete course of the therapy and the large addressable prostate cancer market Provenge covers. Provenge Study D9901, Phase 3 study in Androgen-Independent PCa key findings include: 1) 31% delay in time to progression 2) 41% overall reduction in risk of death 3) median survival benefit is 4.5 months 4) Provenge generally well tolerated. Results of recent FDA meeting from pre-prepared slides say: 1) BLA contains data showing Provenge survival benefit 2) FDA agreed either a positive interim or final analysis for survival, as described in the IMPACT SPA, combined with the clinical data already submitted in the BLA, would be sufficient for licensure of Provenge 3) anticipate interim results from ongoing IMPACT study next year. Project total cash burn for FY08 of approximately $55 mln. Co says INTERIM analysis is reasonably powered.

Date: May 31 2007 13:54:43 Wire: TheFlyontheWall.com (FLY)
Five stocks with option implied volatility above 95 with semi-liquid volume
Five stocks with option implied volatility above 95 with semi-liquid volume: NRMX NFI AVNR DNDN ENCY

Date: May 31 2007 15:34:08 Wire: Bloomberg Transcripts (BT)
Dendreon Presentation Teleconference(Transcript) DNDN US
Event Date: 05/31/2007
Company Name: Dendreon
Event Description:Banc of America Healthcare Conference
Source: Dendreon
MANAGEMENT DISCUSSION SECTION
William Ho, Analyst, Bank of America:
The Second day of the Banc of America Healthcare Conference here in Las Vegas. I am pleased today to introduce to you Dendreon Corporation as you probably saw there was some news this morning. Before we do begin, I do have a public appearance statement. As you are aware, we are required to make a number of conflict of interest and related disclosures in connection with our participation in this conference and the company that we may discuss. If you would like to review these important disclosures, please pick up the packets containing the public appearance disclosures at the back of this room. PDF copies can be accessed by those of you viewing these presentations via the webcast. My name is William Ho, I am the Senior Biotech Analyst here at Bank of America. And with that it's my pleasure to introduce to you Mitch Gold and...
Mitchell H. Gold, M.D., President and Chief Executive Officer:

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Date	Reported Volume	Closing Price	% Change	t-stat (1)	Selected Press Releases, Analyst Reports and Bloomberg Media Accounts

Thanks Will. [indiscernible] I would like to remind you that during my presentation today, I will be making forward-looking statements and encourage you to review our most recent SEC filings regarding the risk factors associated with these statements. I think there is a number of new shareholders in the company and we've had a tremendous amount of shares traded since our panel meeting on March 29 and I thought it might be useful to just maybe give a brief overview of the company, kind of review the basic science associated with our active cellular immunotherapy platform. The company is headquartered in Seattle, Washington. We have a commercial manufacturing facility that we have built out in Morris Plains in New Jersey.

We were founded in 1992 actually in Mountain View, California from two researches at Stanford University . Here we have about 200 employees currently. We are traded one the NASDAQ under the symbol DNDN and our prior focus today is exclusive in the area Oncology. Our lead product candidate is a product called PROVENGE or sipuleucel-T and it's an active cellular immunotherapy that's designed to stimulate the patient's own immune system to fight cancer. So it's a unique and new and novel approach to fighting cancer. This priority has under gone a FDA panel view at the end of March and we received a confirmation from the additional data required for licensing this product which we announce this morning. I'll view through the course of the presentation today.

There is a patient I think most of you know very well and that patient's name is Eduardo Garcia and these products really at the end of the day was a very compiling from a scientific perspective, they are very interesting from a regulatory prospective, they are very interesting from an investment perspective, it's really all about the patient at the end of the day. Mr. Garcia was diagnosed with late-stage prostate cancer in 2001. He received PROVENGE as part of our first Phase III study. As most of you know the median survival on this patient population is about 18 to 20 months. Mr. Garcia is now out over six years after receiving treating with sipuleucel-T. He has tremendous amount of energy. So clearly benefiting the patients is what drives with us at Dendreon.

These types of therapies are very unique and are different than standard chemotherapy products because they are extremely well tolerated. [ph] They have the potential to be used both prior to the initiation of cytotoxic agents and also in combination with other agents both cytotoxics and biologics. For a patient perspective a complete course of therapy is completed in one-month time, so they get three infusions over one-month period and then they can go on and live their normal life. They are not having to go into the physician's office and receive chemotherapy infusions every three weeks or injections intradermally every week or every month and if they complete the whole course of therapy in one month and they go on and they resume their normal life. They clean their cars. They play golf. They do what's important to them. There is potential here for the immune responses to be very durable and we've seen that in our studies in our early stage prostate cancer. The P-11 study was to be represented at ASGOW this weekend where we followed patients out when the PSA reoccurs and then we remonitored their immune response. And we see that the immune response that PROVENGE generates is still very durable at an average of 21 months following initial treatment. So the immune response that were generating is persistent. And clearly from a patient perspective there is very few appealing treatment options available to them today and they are looking for new and better-tolerated treatment options.

The key to our active cellular immunotherapy platform is our Antigen Delivery Cassette technology. And what the Antigen Delivery Cassette is, it's a recombinant protein that we manufacture in traditional biologic techniques. Its targets are well-validated antigen in the case of Provenge, the antigen is prostatic acid phosphatase and that's present in 95% of all prostate cancer tissue. The recombinant prostatic acid phosphatase is fused via dipeptide link to GM-CSF head that makes it much more potent and a more recognizable by the immune system. And that fusion protein allow us to get very efficient antigen up tick, a very robust and reproducible immune response and something that we've been able to show that we can generate immunity against the immunizing antigen in a majority of patients. And we're currently manufacturing that Antigen Delivery Cassette at large commercial scale and a large part of our capital investments in 2006 and in 2007 have focused on building up antigen inventory for the recombinant proteins.

The other key raw material for PROVENGE is the patient's own antigen presenting cells, which we isolate via standard blooc

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collection procedure, know as the leukapheresis. [indiscernible] If you look in the upper left hand corner here the Antigen Delivery Cassette is combined with the patient's own antigen presenting cells in our manufacturing facility. [indiscernible] There is GM receptors on the surface of dendroid cells. [indiscernible] The Antigen Delivery Cassette is taken up via receptor cytosis in process and the peptide fragment of the antigen are then presented on the surface of the antigen presenting cell. What's unique about these types of products and we discussed it at our FDA advisory committee meeting at the end of March is there is a potency out there that we have for these products that we can measure because this is an product. And we looked a cell surface marker know CD54 or and we can see a certain amount of CD54 upregulation that's required for these product to achieve their certain potency. And that potency has been shown to correlate directly back to . The activated antigen presenting call are then infused into the patient where they are designed to list an immune response to against the immunizing antigen.

When you look at this from a production perspective and a manufacturing process perspective the process is very well controlled, very simple and something that we've been able to replicate over 2000 times in our clinical trials. The patient would present with Hormone Refractory Prostate Cancer, the physician would write a prescription for PROVENGE. They would get their antigen presenting cells collected to the standard blood collection procedure know as the leukapheresis. That's combined with the Antigen Delivery Cassette. That incubation period is about 30 to 40 hours. And then the activated product is set back to the physician's office for a 30 to 60 minute infusion and that entire process is repeated three times over one month period for a complete course of therapy. If you look at the addressable market that we are really looking at with a product like PROVENGE you have to understand that continuum of prostate cancer. So patients if you start from the left here is the androgen-dependent prostate cancer marketplace entails both primary therapy and patients that have recurred, primary therapy either being surgery, radiation therapy or chemotherapy, about 30 to 40% patients fail primary therapy and they go on hormonal manipulation classically now LHRH agonist

All patients eventually fail LHRH agonist therapy and they become what is know as androgen-independent, majority of those are asymptomatic by the time they become androgen-independent and the proposed label for PROVENGE is for men with asymptomatic, metastatic, androgen-independent prostate cancer for which there is only one approved treatment today that being the chemotherapy agent docetaxel, which has shown a 2.5 month improvement in survival in clinical studies.

I will talk a little bit more about the quality of life issues associated with chemotherapeutic agents and the population in this bit but clearly we are real focusing PROVENGE on as for patients with asymptomatic, metastatic, androgen-independent prostate cancer as frontline treatment.

Androgen-independent prostate cancer is a deadly disease, this patients die as I said earlier on average of about 18 to 20 months, there has been a modest survival advantage observed with the docetaxel based regiments and the majority of patients has been published by the support groups for us too, majority of patients reject chemotherapeutic regimen because of quality of life issues nd the modest improvement in survival from these regiments. So, the patients are very focused on getting new novel better tolerate treatment option available so that can help them live longer and with better life. We think PROVENGE has the potential to give them that opportunity.

The data from our first Phase III study 9901 that was a focus of our license application and the review of the Advisory Committee at end of March was randomized double blind, placebo controlled Phase III study and enrolled 127 men with asymptomatic metastatic androgen independent prostate cancer. The primarily end point of that study was median time subject to disease progression and the study protocol required that we follow all patients for survival for three year after randomization and these results were published in the journal Clinical Oncology.

What we observed in this study was a 31% delay and a time to disease progression treating a p-value of 0.052 and a hazard ratio of 1.45. Disease progression is treated as surrogate for the clinical endpoint of overall survival. And when we look at overall survival there is a 41% overall reduction in the risk of death, and median survival benefits of 4.5 months, a p-value on the log rank test of

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0.01 and a hazard ration of 1.7 and is represented in the FDA also illustrated in their reviewed documents multiple sensitivity analysis support the robustness of the survival benefit that we've observed in our first Phase III study 9901. And in general PROVENGE was well tolerated, the most common side effects being fevers and chills lasting for one to two days.

When you look at the [indiscernible] overall survival here PROVENGE in orange and placebo in green median survival benefit as I said was 4.5 months the raw numbers were 25.9 months and the PROVENGE arm effects to 21.4 months in the placebo arm. But we talked a little bit early on about the durability of these types of products, I mean what do they do long-term? And when you look at this you find all patients out for 3 years after randomization, no patients in this study were censored early and what we saw was that 34% of patients in the drug arm are alive of 3 years compared to 11% of patients in the placebo arm. So the approximately three fold improvement in 3 years survival

And when you look at the adverse event profile, as I said earlier, the most common side effects are fevers and chills; there are current about 30 to 60% of patients. So this is a product that resides within CBER the Cellular Tissue and Gene Therapy that has since the IND was filed in 1996. We went to an advisory panel that was run by CBER and OCGT on March 29 that confirm that there was substantial evidence of efficacy of PROVENGE for the treatment of patients with asymptomatic, metastatic, androgen-independent prostate cancer and they confirm that PROVENGE was reasonably safe. We received on May 8th a complete response letter from the FDA requesting additional clinically efficacy data to support the licensure for Provenge. [ph] And what we announced this morning is that the result of a recent Type A meeting with the FDA that the BLA contains data that shows PROVENGE prolonic survival and the FDA has agreed that either a positive interim or final announcement for the survival as described and the impact of 9902B ongoing studies special protocol assessment agreement combined with the clinical data that we have already submitted in our BLA that would be sufficient for licensure of PROVENGE and we anticipate to get interim results from the ongoing impact study next year.

Little bit on the design of the IMPACT study. Again it's very similar in design to 9901, it's a randomized 2 to 1 study randomized double blind placebo controlled. It's enrolling 500 men with minimally symptomatic metastatic Androgen Independent Prostate Cancer enrolling at 70 sites throughout North America including Canada. The primary endpoint is overall survival. The secondary endpoint is time subjective disease progression. It's been conducted under a special protocol assessment agreement with the FDA and the interim analysis is well powered. I want to go into a little bit about what do we mean when we say that the interim analysis for the IMPACT study is well powered. So to remind you we've already completed two Phase III studies, one is 9901, which was 127 patient study. It showed a 4.5 month median survival benefit and has a ratio of 1.7 and p-value of 0.01 under log rank test and 0.002 on the multivariable Cox regression model. The second study 9902A was study was a study that was under powered and stopped early. The median survival benefit was 3.3 months, the hazard ratio was 1.3 and the p-value was 0.331. They were in balances in a second Phase III study that after adjustment and the p-value was 0.023 on the Cox. I think what's important is to look at the integrated analysis for these two studies. Here you have 225 patients, median survival benefit of 4.3 months and the hazard ratio of 1.5 achieving a log rank p-value 0.01 and a p-value on the Cox regression analysis of 0006.

Now when we look at the design of the IMPACT study we modeled it off of the integrated analysis and we assumed a lower hazard ratio than that seen with the integrated analysis i.e lower hazard ratio than 1.5. [ph] And so we assume that the drug was going to have less effect then we observe just to be conservative. And when you look at the interim analysis, there are 164 death events in the integrated analysis combined. When we look at the interim analysis, the interim analysis for the impact study will have more than the 164 death events that were achieved in the integrated study and obviously the death events that we see as the powering assumptions of the study. We also wanted to be certain that we had a similar patient profile in the ongoing impact study to what we've observed in the 9901 study. And there is the tool that we can use called the Halabi model and these are integrating both arms of the study. And for 9901 the Halabi predicted survival was 20.1 months.

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For 9902A there were clearly sick patients, the Halabi predicted survival was 18.9 months. And what we see from 9902B or the ongoing impact study is that the Halabi predicted survival is 21.4 months, putting it very much inline with a comparable patient population to what we observed in the 9901 study and that to be very reassuring us.

When you look at the patient population that we are targeting here is about 132,000 men with androgen-independent prostate cancer. About 96,000 of them have metastatic disease and our particular label that we're perusing is 55,800 men with asymptomatic, metastatic, androgen-independent prostate cancer. The physician's segment that we're targeting are both urologist and oncologist, clearly there is a lot of debate within the urologic oncology community as to who's best equipped to deal with these new infusion-based medicines. We think both of them are equally well equipped, half of our clinical trial sites urologists, half of our clinical trial sites oncologists, but it's still a very small segment of the physician population for us to go after and something that we can manage through a sales force that's size at about 125 sales reps. So if we look at our target pipeline today, we've completed our Phase III studies and we've completed our license application. [indiscernible] We've got significant amount of clarity from the FDA on what's going to be required for licensure programs for patients with metastatic androgen kind of prostate cancer. We have additional data that suggest that potentially early stage prostate cancer what we are going to need to continue to follow those patients out. This is serologic data and clearly serologic data is not at the level of licensure or label expansion opportunity in early stage prostate cancer today. We need to evaluate clinical endpoints.

But really I think what's most important is that we have a platform. The androgen delivered technology provides us with a platform opportunity that we can plug other androgens into. And those other androgen targets include HER-2/neu for breast cancer, ovarian cancer, colorectal cancer and bladder cancer. That's our new bench program; CEA for colorectal cancer, CA9 for renal cell cancer, and trp-p8 for multiple cancers.

So with that I would like to turn it over to Greg Shiffman, our Senior Vice President and Chief Financial Officer who'll review our financials and our operating plan going forward.

Gregory T. Schiffman, Senior Vice-President and Chief Financial Officer: Thank you Mitch. It's great to able to present here today. What I want to do is give a very quick financial update and provide some financial guidance. As of the end of last quarter, we had cash, cash equivalents including short and long-term investment of a little over $88 million and total assets slightly in excess of $130 million.

For fiscal year 2007 we're currently projecting a total cash burn of approximately $95 million. We put in efforts to assure that we are minimizing our cash burn. As part of that we had announced a restructuring that's affecting about 18% of our workforce. It's focused on reducing staff that were associated with near-term commercialization activities. We anticipate having non-cash charges of up to around $300,000 and cash charges about to about 1.5 million. I Think what's important to realize as you look at Dendreon's cost structure is that a lot of our cost are not solely driven by head count and salary and awful lot of the expenses are tied with third-party charges both on the clinical trials that we have been carrying over the last several years, as well as commercialization activities. And so as we look at 2008 we expect to see a substantially reduced cash burn and we are currently projecting a cash burnt of around $55 million. With the substantial portion of the savings coming from first the completion of the enrollment in the 9902B Impact trial and therefore the third-party charges that we've been incurring associated with each of the patients. The fact that we have completed commercial scale inventory built, we built the inventory up in projection of releasing the products

Our inventory life is measured in years not months and so its an asset that will be available for us to make use of in the future. So we look at inventory purchases the Antigen, which is one of our key raw material, we purchased over $18 million this year alone. We've completed the first phase of the initial build out of our commercial manufacturing facility in New Jersey. We've got a plan that's operational and ready to go. We're performing our current critical trail manufacturing in the facility and it enables us to be able to begin a commercial ramp. It's gone through the review with the FDA, the PAI inspection are in the process is closing out

anywhere the remediation and responses that we receive from the FDA. Finally we are able to slow some of the development of final infrastructure in systems, practices and process where we've been working with third parties given the timeframe that we had to get these put in place. Bringing that in-house, minimizing the amount of expenses we pay with third party and therefore again finally decreasing the cash burn and unless there is savings associates with the head count. So to close we'd like to talk about what we see in some of the key investment opportunities really with Dendreon and PROVENGE. I think as we've indicate we believe we have the potential to be the first to market active cellular immuno therapy. Given the positive advisory panel that we held we believe that data has supported in a public form, significant survival benefits with the positive favorable safety profile. We've seen very strong demonstrated support from physician, patients and patients efficacy groups for the need for efficacious and better tolerated therapies. We own a 100% of the world wide rights to be able to commercialized the product and we believe the platform PROVENGE is bringing is a large unmet commercial potential. Finally we do have opportunities to look for expansion PROVENGE in both later stage and earlier stages of the disease and I think most importantly as Mitch laid out we spend a awful lot of research and development dollars to validate and commercialized the platform types to Antigen Delivery Cassette. We have the ability to leverage that investment in several other products where we see large unmet need again where there is a need for efficacious and better tolerated therapies in oncology. With that I would like, I guess, turn it over to Q&A. Thank you.

Q&A

Operator:

Okay, thank you. [indiscernible] I guess we'll start off with the can you get the microphone please. Right up here.

< Q>: Hi good morning couple of questions. Though we can talk at the panel meeting about a possible expanded access program implications, is it something that you give any more thought to and particularly after the impact study has been fully enrolled?

< A - Mitchell Gold>: We have given that Rob and I think it's, we believe that the best way to bring Provenge to market and to help patients is through inappropriate regulatory process which we are pursuing. The company currently doesn't have the resources to participate in an expanded access or compassion this program.

< Q>: Okay and it's pretty unusual of the FDA actually goes against decision of an Advisory Committee. Now that you have had the chance to sit down with the FDA, can you help us understand what some of the concerns of what issues they may have had with the data package?

< A - Mitchell Gold>: I think those were the, I think we've heard him express at the Advisory panel. And what we heard at the Advisory Committee meeting was that there was a large unmet need that's the survival benefit that was observed was compiling but it was not the primary endpoint of the study and clearly we had this other study that was going on out there. I think it's probably also a number of other more human factors involved unrelated to scientific data and probably more has to do with, I don't want to say politics but just human nature within the agency and work committed to bringing this to market, we believe our team at the FDA is committed to bring in this to patients to help them and we think the impact studies are well-designed study that will answer the question definitively.

< Q>: Okay thank you.

< Q>: I have a question. With respect to the announcement this morning, I would have imagined that if you had met your statistical hurdle in the interim analysis that the FDA would have about marketing of the product. You mentioned that that interim analysis today is well powered but normally P values for the interim analysis are necessarily small in order to preserve Alpha for the final analysis. Can you elaborate a little bit more on potentially the statical hurdles for the interim analysis?

< A>: Sure. [indiscernible] Again the question, in case anyone didn't hear it was what are the Alpha spend on the interim analysis. And what I can tell you is we designed the Impact study both in terms of the interim analysis as well as the final analysis based on the integrated data set from 9901 and 9902A. When you look at the total number of death events from 9901 and 9902A combined

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it was 164 death events. The interim analysis for the IMPACT study is planned at more than that 164 death events. I am not going to disclose exactly what it is but it's more than that number. If you look at the hazard ratio from the integrated analysis which is the best way to measure you powering assumptions the hazard ratio for the integrator was 1.5 and our treatment effect assumptions for the overall treatment effect in the Impact study was less than that. And what we did disclose at the advisory committee panel was the overall powering assumptions. So we disclosed that the trial is designed to enroll 500 men as we now said in our last conference call we've already enrolled over 425 men and enrollment continues to go very strong. So we anticipate that we'll complete th enrollment this year. The final analysis is planned at 360 death events and it is powered over 90% outcome.

< Q>: That's a kind of 0.05 p-value.

< A>: Correct, yes. [indiscernible] Now if you look at the interim here in interim we're spending a fair amount of Alpha because we think we understand very well how this product performance in Phase III clinical studies so it's not a classic interim where you are spending say 0.001 we're spending more than that.

< Q>: That's up with the final analysis that risk if you don't meet this hurdle to the terminal.

< A>: I think we understand very well how this drug performs, in other words we know that the cumulative factors has been a trial that started rolling well in 2003, so we now have almost four years 500 patients and so we know that these therapies take some time to take at that, so we are very comfortable with the analysis plan of the program.

< Q>: Question and [indiscernible] Kelly ?

< Q>: Okay, good morning, just repeating questions. What I wanted to clarify was on the status of the patients on the inclusion criteria, are any of the previous trials allowing minimally symptomatic patients?

< A>: The previous trials were enrolling asymptomatic patients only. It turns out that when we look at minimally symptomatic patients, which we describe as visual analogue paint scale of reading three out of ten. That you really don't see differences in patient demographics as a whole for minimally symptomatic and asymptomatic and I think that's really illustrative when we look at the Heavey analysis, which I presented which show that the predicted survival for the patients that are currently rolled impact on a blinded basis is just over 21 months. And if you look at that compared to the asymptomatic patient population for 9901 was about 20 months, so we are seeing very similar not better patient population in impact and that we saw 9901.

< Q>: Okay, and I am not familiar with the Heavey analysis, so can you kind of walk me through what's that based on?

< A>: Sure, the Heavey model is a well known prognostic model in prognostic cancer, was published by Susan Heavey and JTO to med analysis looking at prognostic factors such as PSA of number of only meds and a number of other prognostic factors. And it's probably the best-known prognostic model for predicting overall survival in this patient population. Most researches were using to make sure that they have comparable patient populations between their studies or which we are not using in this case here in an non-controlled Phase II study you will see some researches use it to see if the survival benefit that they are observing is meaning or not. What we're using it for here is to base by demographics are similar.

< Q>: Okay and one more question on your integrated data that you are using to power this, the second trial was stopped early so can you discuss how you integrated the data with that trial being, you said most of it will start early because it wasn't power correctly.

< A>: 9902A study will start in 98 men.

< Q>: Okay.

< A>: When we began the impact study, that doesn't preclude you from combining the two studies and actually both those studies and they were designed in 1999 were actually designed to be integrated together.

< Q>: Okay. So enrollment will stop but nothing outward ?

< A>: Correct.

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< Q>: Okay.

< Q>: Hi. Just a clarification on William's question so for the interim what is the P-value required to achieve to stop the study on the interim.

< A>: Right so as I told, we're going to disclose what the exact P-value is for the interim analysis, the overall Alpha is 0.5 that will be divided between the interim analysis and the final analysis.

< Q>: So there is, when there was 90% powered to show a less of smaller benefit than 1.5 [indiscernible] at the 0.5 level that actually not relevant because you're going to need to be better than 0.5 at the final correct because you have subtract...

< A>: Correct, the Alpha how we divided up will be divided up between the interim and the final note.

< Q>: Can you answer this then so how powered so through with 90% power to show a less than 1.5 hazard ratio at 0.05 how much less powerful is it that whatever undisclosed p-value you need to be at the final...

< A>: That's actually an interesting question. Based on the number of events that the interim is currently planned you don't give up all that much power because this is a - if you look at the survival curves for example for Provenge it's not a proportional hazardous amount. It's really non-proportional right because the survival effect appears to get more magnified over time. What we have the advantage from this study is that enrollment actually began in 2003. So we feel that the interim while it doesn't have 90% power than the overall dose it still has a fair amount of power associated with it. I think the best way to describe it is that we believe that the interim analysis is reasonably powered.

< Q>: Okay. And can you help us with the window of January 1 to December 31st 2008. Where - is there first half, second half when you expect them?

< A>: Both are event driven so I mean all I can do is predict, but I think we can give you what we think right now and what we guess it it's going to occur sometime between the middle and the second half of 2008, but again its event driven, everybody should know how is event driven.

< Q>: And then lastly, is it one of these things where the DSMB looks and just tells you either continue or stop or will you release the data - I guess you won't release the data unless you're stopping the study.

< A>: Correct yes.

< Q>: So we either here continue the study or it was stopped because of a positive outcome.

< A>: Correct.

< Q>: And is there a possibility that they would stop it for futility or is that not part of the...?

< A>: There is a possibility that study could be stopped for futility otherwise it would have to be a negative treatment effect in this case.

< Q>: All right, thank you very much.

< A>: Sure.

< A>: There are a lot of question, so let's continue a little bit out.

< Q>: Can you give a little bit more detail then on the hazard ratio that would be necessary at the interim then if the overall study is powered for somewhat less than 1.5 at the interim would the hazard ratio be a lot greater than 1.5?

< A>: The hazard ratio doesn't change on the [indiscernible] final analysis. Overall, hazard rate assumption causing the changes in number of events that you would have at the interim and then at the final analysis which will affect your the powering. Any financial questions for Greg?

< A>: Why don't we take one more question if there is one in the audience?

William Ho, Analyst, Bank of America: No, okay well thank you very much.

Mitchell H. Gold, M.D., President and Chief Executive Officer:

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Thank you.
William Ho, Analyst, Bank of America:
Thank you for attending today. Thank you, Mitch.

Date: May 31 2007 16:18:07 Wire: BLOOMBERG News (BN) By Catherine Larkin
Dendreon Says Interim Provenge Data May Satisfy FDA (Update4)

May 31 (Bloomberg) -- Dendreon Corp. said it expects to provide data requested by U.S. regulators on a new treatment for prostate cancer as soon as next year, sending the shares up 27percent.

The Food and Drug Administration will accept positive survival data from an interim analysis of a study on the drug, Provenge, and those results may be available next year, Seattle- based Dendreon said today in a statement. The treatment is part of a new family of medicines that trigger the immune system to attack malignant tumors.

Some analysts had said the introduction of Provenge could be delayed until at least 2011 after the FDA asked the company on May 8 to submit additional data showing that the drug worked. Investors and analysts were at odds today over whether interim results from Dendreon's new study, known as IMPACT, will be enough to win the agency's backing.

``We continue to believe that the interim look at IMPACT (expected in 2008) will not be able to show positive results and that data from the final analysis (expected in 2010) will be needed to support a potential approval," said Graig Suvannavejh, an analyst at UBS in New York, in a note today.

Dendreon shares gained $1.81 to $8.55 at 4:01 p.m. New York time in Nasdaq Stock Market composite trading. The stock has fallen as low as $3.65 and risen as high as $23.58 this year as investors have bet on whether Provenge would be approved by the FDA.

$1 Billion in Value Lost

The stock lost almost $1 billion in value after the agency's request for more data on Provenge. Shareholders sued Dendreon last week, saying the drugmaker made ``a series of material misrepresentations" about the medicine's delay. The company has declined to comment on the lawsuit.

Dendreon expects to complete enrollment in the IMPACT trial this year, according to the company's statement. While Provenge prolonged lives in advanced cancer patients in a study presented to an FDA advisory panel in March, the treatment didn't meet the trial's primary goal of slowing the spread of the disease.

The company also said it plans to spend $95 million in cash this year and $55 million next year on operating and capital expenditures. Dendreon had about $121.3 million in cash, cash equivalents and investments as of Dec. 31, according to its fourth-quarter report.

Date: May 31 2007 16:24:20 Wire: BLOOMBERG News (BN) By Allen Wan
Big Lots, Ciena, Dendreon, Verasun: U.S. Equity Movers Final

May 31 (Bloomberg) -- The following is a list of companies whose shares had unusual price changes in U.S. exchanges today. Stock symbols are in parentheses after company names. Share prices are as of 4 p.m. New York time.
Dendreon Corp. (DNDN US) rose $1.81, or 27 percent, to $8.55. The drugmaker said in a PR Newswire statement that positive data from an interim analysis of its experimental prostate-cancer treatment Provenge may be sufficient for U.S. regulatory approval.

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					Date: May 31 2007 16:26:32 Wire: TheFlyontheWall.com (FLY) **Option Update – May 31, 2007 [MORE]** Volatility Index S&P 500 Options-VIX up .22 to 13.05. Option volume leaders today were: DNDN, AAPL, GOOG & MO.

(1) Based on regression against the NASDAQ Biotech Index, Control Period 120 days prior to March 2007 (R-Squared=26%; Beta=1.59; Standard Error=2.3%; t-stat=6.5)

Exhibit E

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Market Makers for Dendreon during March, April and May 2007

#	ID	Name	Volume (1)
1	NITE	KNIGHT EQUITY MARKETS, L.P.	238.681MLN
2	UBSS	UBS SECURITIES LLC.	160.384MLN
3	ETRD	E*TRADE CAPITAL MKTS LLC	132.799MLN
4	CDRG	CITADEL DERIVATIVES GROUP LLC	109.631MLN
5	NFSC	NATIONAL FINANCIAL SERVICES LL	72.991MLN
6	AUTO	AUTOMATED TRADING DESK FINANCI	29.86MLN
7	GSCO	GOLDMAN SACHS	28.25MLN
8	PERT	PERSHING TRADING COMPANY L.P.	20MLN
9	MSCO	MORGAN STANLEY & CO., INCORPOR	17.165MLN
10	SBSH	CITIGROUP GLOBAL MARKETS INC.	16.862MLN
11	FBCO	CREDIT SUISSE FIRST BOSTON LLC	9.782MLN
12	LEHM	BARCLAYS CAPITAL INC.	8.945MLN
13	MLCO	MERRILL LYNCH	7.953MLN
14	MADF	BERNARD L. MADOFF	7.531MLN
15	RBCM	RBC CAPITAL MARKETS	7.338MLN
16	BEST	BEAR, STEARNS & CO. INC.	5.316MLN
17	JEFF	JEFFERIES & COMPANY, INC.	4.842MLN
18	LIMB	LIME BROKERAGE LLC	4.639MLN
19	DBAB	DEUTSCHE BANK SECURITIES INC.	4.115MLN
20	SUSQ	SUSQUEHANNA CAPITAL GROUP	3.822MLN
21	OPCO	OPPENHEIMER & CO. INC.	3.727MLN
22	JSSF	JMP SECURITIES LLC	2.506MLN
23	BOFA	BANC OF AMERICA SECURITIES LLC	2.337MLN
24	JPMS	J.P. MORGAN SECURITIES INC.	1.219MLN
25	COWN	COWEN & CO., LLC	1.203MLN
26	FSWC	FIRST SOUTHWEST CO.	1.105MLN
27	EFGI	EMPIRE FINANCIAL GROUP, INC.	1.078MLN
28	MAXM	MAXIM GROUP, LLC	915,627
29	LEER	LEERINK SWANN & CO., INC.	863,784
30	HDSN	HUDSON SECURITIES	808,787
31	JPTC	J.P. TURNER AND COMPANY L.L.C.	747,178
32	HILL	HILL THOMPSON MAGID AND CO INC	702,862
33	NEED	NEEDHAM AND CO.	685,261
34	DOMS	DOMESTIC SECURITIES, INC.	663,430
35	PIPR	PIPER JAFFRAY & CO.	644,834
36	WEED	WEEDEN & CO.L.P.	508,084
37	CANT	CANTOR FITZGERALD & CO.	453,816
38	TWPT	THOMAS WEISEL PARTNERS LLC	351,000
39	AGED	A. G. EDWARDS & SONS, INC.	345,165
40	WCHV	WACHOVIA CAPITAL MARKETS, LLC	270,738
41	WDSB	HELFANT GROUP, INC.	263,024
42	BMOC	BMO CAPITAL MARKETS	257,658
43	FBRC	FRIEDMAN, BILLINGS, RAMSEY & C	176,238
44	PRUS	PRUDENTIAL EQUITY GROUP, INC.	140,023
45	CRIS	CARIS & COMPANY	136,200

Dendreon Securities Litigation

Market Makers for Dendreon during March, April and May 2007

#	ID	Name	Volume (1)
46	BNCH	THE BENCHMARK COMPANY, LLC	127,800
47	JSLP	JOSEPH STEVENS AND CO. L P	122,485
48	LAZA	LAZARD FRERES AND CO.	117,238
49	HDLY	J J B HILLIARD W L LYONS	113,569
50	GROW	PACIFIC GROWTH EQUITIES, LLC	94,798
51	TRLN	TRADELINK SECURITIES, LLC	93,790
52	ABLE	NATEXIS BLEICHROEDER INC.	85,762
53	BMUR	BREAN MURRAY AND CO. INC.	56,558
54	WBLR	WILLIAM BLAIR & COMPANY L.L.C.	51,533
55	FRAN	WM. V. FRANKEL & CO., INCORPOR	33,800
56	BERN	SANFORD C. BERNSTEIN AND CO. I	25,200
57	WDCO	WILSON DAVIS AND CO. INC.	25,064
58	RHCO	SUNTRUST CAPITAL MARKETS, INC.	20,827
59	KING	C. L. KING & ASSOCIATES, INC.	13,300
60	RODM	RODMAN AND RENSHAW LLC	4,000
61	CRTC	CRT CAPITAL GROUP LLC	3,179
62	HAMR	W.R. HAMBRECHT + CO., LLC	2,522
63	MERI	MERRIMAN CURHAN FORD & CO.	1,300
64	BMIC	BILTMORE INTERNATIONAL CORPORA	1,000

(1) Source: Bloomberg

Exhibit F

Dendreon Securities Litigation

Institutional Ownership of Dendreon stock as of March 31, 2007

#	Institution	Shares
1	Acadia Trust, N.A.	150
2	AIG Investments	212,006
3	Alexander Read Investment Management, Inc.	35,100
4	AllianceBernstein L.P.	39,300
5	Allianz Global Investors Kapitalanlagegesellschaft mbH	23,200
6	Anima SGR.p.A.	8,052
7	Apollo Medical Partners	2,307,014
8	Barclays Global Investors (UK) Ltd.	1,394
9	Barclays Global Investors, N.A.	3,492,559
10	Bartlett & Company	3,000
11	Bayh (Susan B)	1,000
12	Bear, Stearns & Co. Inc.	5,500
13	BlackRock Financial Management, Inc.	657
14	BlackRock Investment Management, LLC	207,330
15	BNY Mellon Asset Management	22,270
16	BNY Mellon Wealth Management	268,725
17	Brewer (Richard B)	4,400
18	Bridger Management, LLC	275,000
19	Bridgeway Capital Management, Inc.	480,800
20	California Public Employees' Retirement System	204,000
21	Canet (Geraldo)	22,556
22	Charles Schwab Investment Management, Inc.	1,400
23	CIBC World Markets Corp.	2,215
24	Citadel Investment Group, L.L.C.	109,744
25	Citi Investment Research (US)	118,505
26	ClearBridge Advisors	100
27	Clough Capital Partners, LP	85,000
28	Columbia Management Advisors, LLC	130,918
29	Comerica, Inc.	2,000
30	CooperNeff Alternative Managers	245,347
31	Credit Suisse Asset Management, LLC (US)	17,611
32	Credit Suisse Securities (USA) LLC	157,906
33	D. E. Shaw & Co., L.P.	312,300
34	D.A. Davidson & Co.	375
35	Davidson Kempner Capital Management, L.L.C.	77,750
36	Deutsche Asset Management Americas	281,650
37	Deutsche Bank Securities Inc.	2,655
38	Dimensional Fund Advisors, LP	1,585,625
39	Disciplined Growth Investors, Inc	362,887
40	Dziurzynski (Bogdan)	4,000
41	EagleRock Capital Management	3,700
42	Edge Asset Management, Inc.	445,441
43	Espírito Santo Gestión, S.G.I.I.C., S.A.	2,847
44	FAF Advisors, Inc.	15,179
45	Fairfield Research Corp.	9,700

Dendreon Securities Litigation

Institutional Ownership of Dendreon stock as of March 31, 2007

#	Institution	Shares
46	Fidelity Management & Research	649,400
47	Florida State Board of Administration	122,500
48	FSC Securities Corporation	1,750
49	Geode Capital Management, L.L.C.	100,355
50	Gold (Mitchell H)	50,933
51	Goldman Sachs & Company, Inc.	107,596
52	Goldman Sachs International	25,100
53	Hamm (Richard F Jr)	6,624
54	HBK Investments, L.P.	12,800
55	HealthCor Management, L.P.	145,200
56	Hershberg (Robert M)	15,724
57	Highbridge Capital Management, LLC	10,523
58	Horizon Asset Management, Inc.	24,000
59	Howard Hughes Medical Institute	403
60	Ingle (M Blake)	4,950
61	IronBridge Capital Management, L.P.	6,500
62	J. Goldman & Co., L.P.	26,618
63	J. P. Morgan Ventures Corporation	625,000
64	J.P. Morgan Investment Management Inc. (New York)	1,000
65	J.P. Morgan Securities Inc.	2,881
66	JD Capital Management, L.L.C.	30,000
67	Kentucky Retirement Systems	22,950
68	Kunath (Ruth B)	2,000
69	Lehman Brothers Inc.	11,030
70	Mallette Capital Advisors, L.L.C.	55,000
71	Mazama Capital Management, Inc.	819,753
72	Mellon Capital Management Corporation	5,520
73	Merrill Lynch & Company, Inc.	195,678
74	Metropolitan Life Insurance Co. (US)	63,128
75	MFC Global Investment Management	37,105
76	MLT Management, L.L.C.	1,242,411
77	Moneta Group Investment Advisors, LLC	10,000
78	Moore Capital Management, Inc.	86,800
79	Morgan Stanley & Co. Inc.	185,575
80	Morgan Stanley Investment Management Inc. (US)	859
81	North Star Asset Management Inc.	21,000
82	Northern Trust Global Investments	91,395
83	Northern Trust Investments, N.A.	577,081
84	Ohio Public Employees Retirement System	113,651
85	Origin Capital Management, L.L.C.	75,000
86	Parametric Portfolio Associates LLC	16,066
87	Peak 6 Capital Management, LLC	2,690
88	Pequot Capital Management, Inc.	25,000
89	Pioneer Investments Austria	30,000
90	PRIMECAP Management Company	1,955,000

Dendreon Securities Litigation

Institutional Ownership of Dendreon stock as of March 31, 2007

#	Institution	Shares
91	Public Employees' Retirement Association of CO	30,500
92	Quantlab Capital Management, Ltd.	1,591
93	RBC Asset Management, Inc.	12,375
94	RBC Capital Markets Wealth Management	67,840
95	Rhumbline Advisers Ltd. Partnership	77,992
96	Royce & Associates, LLC	2,766,000
97	Rydex Investments	15,900
98	S.A.C. Capital Advisors, LP	220,000
99	SG Americas Securities, L.L.C.	15,345
100	Simonetti (Martin A)	227,355
101	Stark Investments	100,000
102	State Street Global Advisors (US)	1,264,379
103	State Teachers Retirement System of Ohio	42,500
104	Thomas Weisel Asset Management	29,700
105	TIAA-CREF	664,122
106	UBS Global Asset Management (Americas), Inc.	200,000
107	UBS O'Connor, L.L.C.	102,000
108	UBS Securities LLC	912,400
109	Urdal (David L)	436,494
110	Vanguard Group, Inc.	2,117,717
111	Virginia Retirement System	49,700
112	Watson (Douglas G)	5,000
113	Welch Capital Partners, L.L.C.	374,800
114	Wells Fargo Bank, N.A.	40,053
115	World Asset Management, Inc.	26,763
116	WS Capital Management, L.P.	10,000
		29,013,943

Source: Thomson Financials

Exhibit G

Dendreon Securities Litigation

Nasdaq Biotech Componenets as of 3/29/2007

#	Ticker NBI	Name	% Weight in the Index	Shares in the Index	Closing Price
1	AMGN UW Equity	Amgen Inc	12.01	685.40408	$55.83
2	GILD UW Equity	Gilead Sciences Inc	7.21	301.07894	$76.25
3	CELG UW Equity	Celgene Corp	5.10	308.01028	$52.70
4	TEVA UW Equity	Teva Pharmaceutical Industries Ltd	4.44	383.45685	$36.85
5	BIIB UW Equity	Biogen Idec Inc	3.43	246.74996	$44.28
6	GENZ UW Equity	Genzyme Corp	3.24	172.00289	$60.07
7	VRTX UW Equity	Vertex Pharmaceuticals Inc	2.00	226.34333	$28.12
8	MEDI UW Equity	Medimmune Inc	1.85	165.01306	$35.72
9	SHPGY UW Equity	Shire PLC	1.82	91.90731	$63.06
10	SEPR UW Equity	Sepracor Inc	1.46	100.57177	$46.20
11	NRPH UQ Equity	New River Pharmaceuticals Inc	1.37	68.65498	$63.55
12	AMLN UW Equity	Amylin Pharmaceuticals Inc	1.35	115.48147	$37.20
13	APPX UW Equity	APP Pharmaceuticals Inc	1.34	161.51479	$26.52
14	CEPH UW Equity	Cephalon Inc	1.28	56.69952	$71.67
15	BMRN UQ Equity	BioMarin Pharmaceutical Inc	1.18	216.86414	$17.40
16	MEDX UQ Equity	Medarex Inc	1.16	321.89041	$11.49
17	REGN UQ Equity	Regeneron Pharmaceuticals Inc	1.15	172.67651	$21.25
18	ENDP UW Equity	Endo Pharmaceuticals Holdings Inc	1.13	121.74210	$29.63
19	AFFX UW Equity	Affymetrix Inc	1.05	114.42973	$29.30
20	OSIP UW Equity	OSI Pharmaceuticals Inc	1.00	96.77858	$33.00
21	GPRO UW Equity	Gen-Probe Inc	0.99	67.11466	$46.89
22	ALXN UQ Equity	Alexion Pharmaceuticals Inc	0.96	69.73192	$43.66
23	ILMN UQ Equity	Illumina Inc	0.94	101.97430	$29.37
24	PRGO UW Equity	Perrigo Co	0.92	169.43624	$17.38
25	ONXX UQ Equity	Onyx Pharmaceuticals Inc	0.92	119.65007	$24.51
26	IMCL UW Equity	ImClone Systems Inc	0.92	72.85925	$40.24
27	QGEN UW Equity	QIAGEN NV	0.90	168.10618	$17.03
28	TECH UW Equity	Techne Corp	0.85	48.52064	$56.08
29	MOGN UW Equity	MGI Pharma Inc	0.85	123.34923	$22.03
30	CBST UW Equity	Cubist Pharmaceuticals Inc	0.84	121.05777	$22.06
31	DIGE UW Equity	Digene Corp	0.83	64.56918	$41.12
32	NKTR UW Equity	Nektar Therapeutics	0.83	211.46506	$12.55
33	3437127Q UW Equity	Millennium Pharmaceuticals Inc	0.82	233.91160	$11.17
34	BSTE UW Equity	Biosite Inc	0.81	30.80544	$83.86
35	MYGN UW Equity	Myriad Genetics Inc	0.81	75.61043	$34.06
36	ALKS UW Equity	Alkermes Inc	0.79	164.81850	$15.27
37	UTHR UW Equity	United Therapeutics Corp	0.77	45.82156	$53.75
38	LIFE UW Equity	Life Technologies Corp	0.76	38.13714	$63.38
39	ITMN UQ Equity	InterMune Inc	0.76	97.88174	$24.57
40	MNKD UQ Equity	MannKind Corp	0.73	157.36682	$14.70
41	EXEL UW Equity	Exelixis Inc	0.72	238.77782	$9.61
42	ZGEN UQ Equity	Zymogenetics Inc	0.71	149.15155	$15.13
43	AXCA UW Equity	Axcan Pharma Inc	0.68	134.15565	$16.22
44	TNOX UQ Equity	Tanox Inc	0.66	112.09210	$18.70
45	ARXT UW Equity	Adams Respiratory Therapeutics Inc	0.65	62.16373	$33.56
46	PDLI UW Equity	PDL BioPharma Inc	0.60	164.88699	$11.58
47	VPHM UW Equity	Viropharma Inc	0.57	126.70293	$14.34
48	3339188Q UQ Equity	Pharmion Corp	0.53	67.26593	$25.31
49	SCRX UW Equity	Sciele Pharma Inc	0.53	70.96168	$23.72
50	MDCO UW Equity	Medicines Co/The	0.53	69.64474	$24.07

Dendreon Securities Litigation

Nasdaq Biotech Componenets as of 3/29/2007

#	Ticker NBI	Name	% Weight in the Index	Shares in the Index	Closing Price
51	2997841Q UW Equity	Aspreva Pharmaceuticals Corp	0.50	72.66243	$21.85
52	LGND UQ Equity	Ligand Pharmaceuticals Inc	0.49	208.92949	$7.49
53	LIFC UW Equity	Lifecell Corp	0.45	57.33191	$24.78
54	ISIS UQ Equity	Isis Pharmaceuticals Inc	0.44	149.67935	$9.43
55	HGSI UQ Equity	Human Genome Sciences Inc	0.44	134.75724	$10.46
56	BLUS UQ Equity	BELLUS Health Inc	0.43	89.26456	$15.42
57	GTXI UQ Equity	GTx Inc	0.43	67.62566	$20.10
58	XNPT UQ Equity	XenoPort Inc	0.41	47.08663	$27.91
59	PGNX UQ Equity	Progenics Pharmaceuticals Inc	0.41	54.77122	$23.64
60	FLML UQ Equity	Flamel Technologies SA	0.40	48.88733	$26.38
61	CRME UQ Equity	Cardiome Pharma Corp	0.40	127.38820	$9.91
62	ALNY UQ Equity	Alnylam Pharmaceuticals Inc	0.39	70.50297	$17.77
63	SLXP UQ Equity	Salix Pharmaceuticals Ltd	0.38	96.54910	$12.50
64	INCY UQ Equity	Incyte Corp Ltd	0.37	179.95631	$6.54
65	OMRI UQ Equity	Omrix Biopharmaceuticals Inc	0.37	30.78496	$38.04
66	GERN UQ Equity	Geron Corp	0.37	166.84354	$6.97
67	SVNT UQ Equity	Savient Pharmaceuticals Inc	0.35	91.85385	$12.23
68	CVTX UQ Equity	CV Therapeutics Inc	0.35	148.26567	$7.45
69	XOMA UQ Equity	XOMA Ltd	0.34	371.49571	$2.89
70	ADLR UQ Equity	Adolor Corp	0.33	118.44434	$8.84
71	KERX UQ Equity	Keryx Biopharmaceuticals Inc	0.30	92.56734	$10.45
72	ARNA UQ Equity	Arena Pharmaceuticals Inc	0.30	89.87257	$10.63
73	ACAD UQ Equity	Acadia Pharmaceuticals Inc	0.30	57.44963	$16.50
74	QLTI UW Equity	QLT Inc	0.30	121.48613	$7.78
75	AUXL UQ Equity	Auxilium Pharmaceuticals Inc	0.29	64.18221	$14.61
76	MNTA UQ Equity	Momenta Pharmaceuticals Inc	0.29	70.89799	$13.10
77	NOVN UW Equity	Noven Pharmaceuticals Inc	0.27	37.22182	$23.30
78	ENZN UQ Equity	Enzon Pharmaceuticals Inc	0.27	106.52931	$8.00
79	POZN UQ Equity	Pozen Inc	0.26	56.39224	$14.95
80	GHDX UQ Equity	Genomic Health Inc	0.26	48.19380	$17.44
81	LMNX UQ Equity	Luminex Corp	0.26	60.07343	$13.77
82	SGEN UQ Equity	Seattle Genetics Inc	0.25	100.63816	$7.95
83	ACOR UQ Equity	Acorda Therapeutics Inc	0.25	42.23933	$18.88
84	DNDN UQ Equity	Dendreon Corp	0.25	152.46958	$5.22
85	NABI UQ Equity	Nabi Biopharmaceuticals	0.24	148.84208	$5.21
86	SNTS UQ Equity	Santarus Inc	0.23	103.68335	$7.00
87	VRNM UQ Equity	Verenium Corp	0.22	90.58644	$7.84
88	IDIX UQ Equity	Idenix Pharmaceuticals Inc	0.22	96.88189	$7.28
89	ALTH UQ Equity	Allos Therapeutics Inc	0.22	119.86327	$5.85
90	ISPH UQ Equity	Inspire Pharmaceuticals Inc	0.21	120.29400	$5.69
91	AMRI UQ Equity	Albany Molecular Research Inc	0.21	70.93667	$9.61
92	BIOV UQ Equity	BioVeris Corp	0.21	51.26647	$13.25
93	ALTUQ UQ Equity	Altus Pharmaceuticals Inc	0.20	43.19012	$15.11
94	SUPG UQ Equity	SuperGen Inc	0.20	107.19068	$6.00
95	ARRY UQ Equity	Array Biopharma Inc	0.20	50.75807	$12.67
96	IDEV UQ Equity	Endo Pharmaceuticals Solutions Inc	0.20	89.89408	$7.04
97	DDSS UQ Equity	Labopharm Inc	0.19	106.85388	$5.69
98	CYTK UQ Equity	Cytokinetics Inc	0.19	86.40203	$6.96
99	CRXL UQ Equity	Crucell NV	0.19	23.82187	$25.04
100	TELK UQ Equity	Telik Inc	0.18	107.24707	$5.45

Dendreon Securities Litigation

Nasdaq Biotech Componenets as of 3/29/2007

#	Ticker NBI	Name	% Weight in the Index	Shares in the Index	Closing Price
101	IMMU UQ Equity	Immunomedics Inc	0.18	122.16373	$4.73
102	CGPI UQ Equity	Collagenex Pharmaceuticals Inc	0.17	40.94115	$13.49
103	TRCA UQ Equity	Tercica Inc	0.17	95.16581	$5.79
104	CEGE UQ Equity	Cell Genesys Inc	0.17	155.61630	$3.50
105	RIGL UQ Equity	Rigel Pharmaceuticals Inc	0.17	50.49660	$10.78
106	CYPB UQ Equity	Cypress Bioscience Inc	0.17	67.95644	$7.86
107	ARIA UQ Equity	Ariad Pharmaceuticals Inc	0.17	120.10133	$4.38
108	DRRX UQ Equity	Durect Corp	0.16	126.27693	$4.13
109	PTIE UQ Equity	Pain Therapeutics Inc	0.16	66.77330	$7.77
110	MRNA UQ Equity	MDRNA Inc	0.16	47.91390	$10.81
111	LXRX UQ Equity	Lexicon Pharmaceuticals Inc	0.16	139.23006	$3.67
112	PANC UQ Equity	Panacos Pharmaceuticals Inc	0.15	105.05584	$4.62
113	NBIX UW Equity	Neurocrine Biosciences Inc	0.15	38.83791	$12.26
114	DCGN UQ Equity	deCODE genetics Inc	0.15	134.65822	$3.53
115	MGRM UQ Equity	Monogram Biosciences Inc	0.15	249.01697	$1.88
116	CALP UQ Equity	Caliper Life Sciences Inc	0.15	83.63665	$5.54
117	CTIC UQ Equity	Cell Therapeutics Inc	0.14	289.31097	$1.59
118	EPIX UQ Equity	EPIX Pharmaceuticals Inc	0.14	69.26361	$6.63
119	ANPI UW Equity	Angiotech Pharmaceuticals Inc	0.14	82.26296	$5.44
120	COLY UQ Equity	Coley Pharmaceutical Group Inc	0.14	47.83585	$9.35
121	BCRX UQ Equity	BioCryst Pharmaceuticals Inc	0.14	53.20214	$8.23
122	3236098Q UQ Equity	Barrier Therapeutics Inc	0.14	62.45818	$7.01
123	VVUS UQ Equity	Vivus Inc	0.13	89.62913	$4.73
124	DYAX UQ Equity	Dyax Corp	0.13	102.06989	$4.00
125	TWTI UQ Equity	Third Wave Technologies Inc	0.13	79.71240	$5.00
126	CERS UQ Equity	Cerus Corp	0.12	58.17298	$6.81
127	PPCO UQ Equity	Penwest Pharmaceuticals Co	0.12	38.38436	$10.19
128	KOSN UQ Equity	Kosan Biosciences Inc	0.12	74.47808	$5.13
129	ISTA UQ Equity	ISTA Pharmaceuticals Inc	0.12	43.56644	$8.42
130	STEM UQ Equity	StemCells Inc	0.12	143.85128	$2.55
131	VIAC UQ Equity	ViaCell Inc	0.12	67.03055	$5.47
132	ARQL UQ Equity	Arqule Inc	0.11	46.61868	$7.52
133	ABIO UQ Equity	ARCA Biopharma Inc	0.11	92.72739	$3.61
134	BIVN UQ Equity	Bioenvision Inc	0.10	78.82863	$4.08
135	AGIXQ UQ Equity	Atherogenics Inc	0.10	111.97919	$2.80
136	NVAX UQ Equity	Novavax Inc	0.10	117.56861	$2.62
137	CRGN UQ Equity	CuraGen Corp	0.10	98.78771	$3.07
138	DSCO UQ Equity	Discovery Laboratories Inc	0.09	132.39243	$2.27
139	ENCY UQ Equity	Encysive Pharmaceuticals Inc	0.09	114.35340	$2.59
140	IMGN UQ Equity	Immunogen Inc	0.09	59.48066	$4.71
141	GTOP UQ Equity	Genitope Corp	0.09	74.65251	$3.71
142	MTXX UW Equity	Matrixx Initiatives Inc	0.08	16.47437	$16.31
143	ORCH UQ Equity	Orchid Cellmark Inc	0.08	42.77289	$6.21
144	NPSP UQ Equity	NPS Pharmaceuticals Inc	0.08	78.84461	$3.27
145	NTMD UQ Equity	NitroMed Inc	0.08	78.65082	$3.25
146	AVII UQ Equity	AVI BioPharma Inc	0.08	105.19993	$2.41
147	DEPO UQ Equity	Depomed Inc	0.08	68.80425	$3.59
148	INGNQ UQ Equity	Introgen Therapeutics Inc	0.08	62.93325	$3.88
149	HITK UW Equity	Hi-Tech Pharmacal Co Inc	0.07	21.70461	$10.89
150	HBIO UQ Equity	Harvard Bioscience Inc	0.07	45.78275	$4.82

Dendreon Securities Litigation

Nasdaq Biotech Componenets as of 3/29/2007

#	Ticker NBI	Name	% Weight in the Index	Shares in the Index	Closing Price
151	ANDS UQ Equity	Anadys Pharmaceuticals Inc	0.06	53.83500	$3.83
152	RNVS UQ Equity	Renovis Inc	0.06	58.54246	$3.52
153	SCLN UQ Equity	Sciclone Pharmaceuticals Inc	0.06	82.37888	$2.50
154	AGEN UQ Equity	Antigenics Inc	0.06	93.15473	$1.98
155	GETA UQ Equity	Genta Inc	0.05	471.17016	$0.33
156	NFLDQ UQ Equity	Northfield Laboratories Inc	0.05	43.40088	$3.57
157	TRMS UQ Equity	Trimeris Inc	0.05	59.08430	$2.62
158	EMIS UQ Equity	Emisphere Technologies Inc	0.05	47.01493	$3.18
159	OSCIQ UQ Equity	Oscient Pharmaceuticals Corp	0.05	28.13796	$5.21
160	THLD UQ Equity	Threshold Pharmaceuticals Inc	0.04	82.06249	$1.47
161	PCYC UQ Equity	Pharmacyclics Inc	0.04	44.11850	$2.69
162	CBRX UQ Equity	Columbia Laboratories Inc	0.04	89.32600	$1.30
163	HEPH UQ Equity	Hollis-Eden Pharmaceuticals	0.03	44.01470	$2.53
164	CRIS UQ Equity	Curis Inc	0.03	69.15106	$1.60
165	ORXE UQ Equity	Ore Pharmaceutical Holdings Inc	0.03	42.52667	$2.22
166	AVNR UQ Equity	AVANIR Pharmaceuticals Inc	0.03	76.73675	$1.20
167	NEOL UQ Equity	Neopharm Inc	0.03	48.18146	$1.67
168	INHX UQ Equity	Inhibitex Inc	0.02	41.81595	$1.64
			100.00		

Source: Bloomberg

Exhibit H

Dendreon Securities Litigation
Regression Analysis

SUMMARY OUTPUT

Regression Statistics	
Adjusted R Square	25.54%
Standard Error	2.29%
Observations	120

	Coefficients	*Standard Error*	*t Stat*	*P-value*
Intercept	(0.00078)	0.00209	(0.37541)	0.70803
NASDAQ Biotech	1.59051	0.24597	6.46615	0.00000

Dendreon vs NASDAQ Biotech Index
120-day Control Period: September 6, 2006 through February 28, 2007